



Nation's Restaurant News[®]

The Weekly Newspaper of the Food-Service Industry

Vol. 18, No. 28

Published every Monday by Lebhar-Friedman Inc.; \$1 a copy, \$18 a year

November 26, 1984



Upscale Japanese restaurants, once found only in the centers of large United States cities, are today spreading through the Northeast and the Sunbelt.

America turns Japanese

Sushi becomes a status symbol

By Marilee Hartley

Once an obscure segment of the food-service industry catering primarily to Japanese residents and travelers, Japanese restaurants today are inundating the larger cities in California and the Northeast and are trickling into the heartland, especially the Sunbelt.

Their popularity is growing with the tide of American infatuation with all things Japanese—from flower arranging to high-tech electronics. In upscale

circles, Japanese food—and in particular sushi—is even becoming a culinary status symbol associated with sophistication and low-cholesterol nutrition.

“Interest in Japanese cuisine has blossomed in the last few years, especially among young-to-middle-aged business travelers,” says Wayne Johnson, manager of Fuji-Ya, a 25-year-old Minneapolis restaurant that serves traditional Japanese dishes, including sushi.

(see JAPAN, page 94)

Battistone acquires Shari's coffee shops

NRN Special Report

SALT LAKE CITY — Sam D. Battistone, the son of Sambo's cofounder and twice Sambo's president, plans a return to food service through his company's proposed acquisition of the 33-unit Shari's coffee shop chain, based in Portland, Ore.

Shari's, featuring founder and chairman Ron Bergquist's patented hexagonal building design, has grown explosively from its inception in 1979 to

current annual sales of about \$30 million from its 24-hour chain operating in seven Pacific Northwest and Western Mountain states.

Battistone, president of StratAmerica Corp., disclosed the signing of a letter of intent with the restaurant chain's parent company, Shari's Management Corp., at his company's annual shareholders meeting here. StratAmerica, formerly Strata-Tek

(see SHARI'S, page 94)



Le Mondrian general manager Herbert Spiegel and executive chef Michel Saragueta.

All-suite food: New directions

By Richard Martin

West Coast Editor

WEST HOLLYWOOD, Calif. — While operators entering the growing all-suite hotel segment scramble to concoct food-and-beverage concepts for their hostelrys—or eschew in-house restaurants altogether—the L'Ermitage hotel group has taken a different step in its trendsetting evolution.

Noted for its private, guests-only restaurants, the L'Ermitage group is looking to broaden its success in the local high-end market, which helped make it a model for luxury, all-suite hotel dining, by giving nonresident

(see SUITE, page 94)

INSIDE NRN

ED DEBEVIC'S: Melman's greasy-looking new concept without the grease. 4

DISNEY WORLD has restructured management and laid off workers due to flagging attendance 18

APPETIZERS are gaining wider appeal as consumers seek alternatives to full meals 31

INDEX

Opinion.....	5, 6	Viewpoint: Operations	63
Dateline D.C.	9	Manufacturer News	66
Advertising & Promotions ...	23	New Products.....	74
Food Trends.....	31	People.....	79
On Management.....	34	Classified	84-90
NRN Focus.....	F1-F20	Financial News.....	91-93

Chains keeping longer hours

Study: Fast feeders are opening earlier, closing later

By Charles Forman

NEW YORK — Television ads that portray a late-night snacker in pajamas and a bathrobe swinging open the refrigerator door in a darkened kitchen are undoubtedly getting close attention from fast-food executives.

Almost one-third of all fast-food chains keep their restaurants open longer hours than they did two years ago, while another 20% are planning longer hours for the near future.

These surprising figures came to light during a recent survey of the hours that chain restaurants are open to the public, conducted by Nation's Restaurant News Research. The survey was done as part of a study on the food-service beverage market reported on in this issue.

While some increase in overall operating hours might have been expected as a result of breakfast rollouts at such



This Burger King on heavily trafficked Northern Boulevard in Flushing, N.Y., is open nearly 18 hours a day every day.

chains as Wendy's, Arby's and Burger King, the survey revealed as many respondents reporting new hours in the evening as in the morning.

Chain executives, asked to comment, said the findings were confirmed by what was happening in their own companies.

Several reasons were commonly given for the increased hours of operation, including:

- the spread of fast-food units to central-city and superhighway locations, where longer hours are feasible;
- the now almost universal use of drive-thrus at new

(see CHAINS, page 94)

N.J. operators fear liquor-liability insurance crunch

By Don Jeffrey
CONVENT STATION, N.J. — New Jersey restaurateurs and tavern owners, facing the threat of costly third-party liquor-liability lawsuits, are finding it increasingly difficult to take out insurance policies or to pay the escalating premiums.

In addition, these businessmen report their liquor business is declining in the wake of the state's vigorous—and, they say, overzealous—enforcement of laws regarding driving after having had too much to drink.

These were some of the more alarming observations made during the New Jersey Restaurant Association's first CARE seminar, held at the Madison Hotel here this month. CARE—an acronym for Consume Alcohol in Responsible Establishments—is a program set up to educate restaurateurs and other commercial servers of alcohol on current laws, trends and ways

to deal with the new realities of public drinking.

Joseph Vozza, the association's insurance consultant, said restaurateurs face "a serious crunch" concerning liability insurance. He said several insurance companies are refusing to write new liquor-liability policies while others are increasing premiums 100% to 150%.

Donald Berlin, an attorney, estimated about 30% of the establishments serving liquor in New Jersey carry no liability insurance because they cannot afford the premiums.

The crisis mounted when the state's Supreme Court ruled this year that the host of a party at which alcohol was served could become a third-party defendant in a case in which one of his guests was involved in a personal-injury accident.

New Jersey has no third-party law—also known as the dramshop law—regarding

(Continued on page 12)



Participating in the New Jersey Restaurant Association's first CARE seminar, held at the Madison Hotel in Convent Station, were (from left) Donald Berlin, a New Jersey attorney; Joseph Vozza, the association's insurance consultant, and James Schaefer, director of alcohol abuse programs at the University of Minnesota.

BK reignites battle of the burgers

By Ken Frydman

MIAMI — Just when you thought a truce had been called in the Battle of the Burgers, another shot has been fired.

Burger King, which launched the Battle of the Burgers broiling-vs.-frying fight two years ago, has returned to humorous comparative advertising with a series of network television commercials supporting its line of double burgers. The \$20 million campaign, being broadcast in selected spot markets, is comprised of four separate commercials.

The spots, promoting Burger King's double hamburger, double cheeseburger and bacon double cheeseburger sandwiches, concludes with the tag line, "You'll never have to eat a fried Quarter Pounder again." The line is a reference to Burger King's continuing claim that it flame-broils its burgers while competitors McDonald's and Wendy's fry theirs.

"Our goal in putting these spots on the air is to communicate that Burger King offers a full line of quarter-pound hamburgers that provide a flame-broiled alternative to the fried quarter-pound hamburgers served by our competition," said Don Dempsey, Burger

King Corp.'s senior vice president and director of marketing.

The campaign, developed by J. Walter Thompson and Uniworld, premiered on network TV Nov. 19 and will run through December.

The move by Burger King to revive the Battle of the Burgers indicates the increasing intensity of competition in the diversifying burger segment. The burger category of yesteryear—McDonald's Big Mac and Burger King's Whop-

per—has evolved to include so-called big "gourmet" burger offerings from Flakey Jake's, Fuddruckers and Carl Karcher.

Another solid reason for resurrecting the Battle of the Burgers is the tremendous sales growth Burger King experienced during the two-year run of the first comparative advertising war. "We hope to do as well from 'Battle of the Burgers II' as we did from 'Battle of the Burgers I,'" Dempsey said.

COMMODITIES

Beef prices edge up; pork supplies adequate

NRN Special Report

Beef prices have begun edging up—a natural condition for this time of year—but higher carcass prices to producers may herald the long delayed beef-price hike that agricultural economists have been predicting since early this year. Traditionally, beef prices edge up with the arrival of cold weather.

Prolonged drought in the main Southwest cattle producing areas, particularly in Texas, has reduced the amount of cattle available since producers have been selling off stock to cut herd size. Increases in the amount paid for steers and feeder cattle may mean more sales, thereby cutting the future supply even more. On the bright side, however, high carcass prices, combined with low feed costs, generally encourage producers to increase herd size.

Another potential for higher beef prices is the amount of corn and other feed grains locked up in Federal storage and not available to feeders. This, combined with increased grain purchased by the Soviet Union and China, could spell higher feed prices ahead. The full amount of acreage of winter grain was not planted this year because of heavy rains in the North Central growing areas, thus pushing prices higher still.

(Continued on page 12)

PRICE MOVEMENT AT A GLANCE

	Nov. 12, 1983	Oct. 12, 1984	Nov. 12, 1984
Beef, Choice, 700-900 lb., Midwest (lb.)	\$ 0.90	\$ 0.92	\$ 0.98
Broilers, Grade A dressed, icepack, NYC (lb.)	\$ 0.5721	\$ 0.5373	\$ 0.5621
Coffee, green beans, Brazilian, NYC (lb.)	\$ 1.46	\$ 1.40	\$ 1.37
Eggs, Grade A, large white, Chicago (doz.)	\$ 0.88	\$ 0.63-\$0.65	\$ 0.71-\$0.73
Hams, canned, large (11-12 lb.), Polish (lb.)	\$ 1.56-\$1.60	\$ 1.67	\$ 1.64-\$1.67
Lettuce, iceberg, Calif. (24s)	\$ 7-\$10	\$ 7-\$9	\$ 3-\$3.50
Mushrooms, No. 1 Pieces & Stems, Pa. (6/10)	\$37	\$36-\$38	\$31
Pork loins, No. 1, 14-17 lb., Midwest (lb.)	\$ 0.74	\$ 0.88	\$ 0.87
Raisins, Select, Thompson Seedless, California bulk (lb.)	\$ 0.85-\$0.89	\$ 0.57-\$0.60	\$ 0.55-\$0.58
Sweet potatoes, Fancy Cut, La. (6/10)	\$15	\$13	\$13.75

Source: NRN Research

Prices listed are packers' f.o.b. plant, unless specified, and do not represent the prices paid by the operator. This list is only a reference to indicate price trends against benchmarks of one year ago and one month ago. Products listed are those showing marked movement in price.

Master chef Kobayashi is dead at 44

SAN FRANCISCO — Masataka Kobayashi, the nationally famed chef of Masa's restaurant in the Vintage Court hotel here, was found dead in his apartment. Kobayashi (known as Masa) was 44.

The Japanese-born, Paris-trained Kobayashi rocketed to celebrity-chef status by establishing the success of Le Plaisir restaurant in New York City. He then left Le Plaisir, which closed its doors forever, to become chef at Auberge du Soleil in the Napa Valley, north of San Francisco.

Last year he opened Masa's to overwhelmingly favorable critical notices, building an immediate following that kept the 14-table restaurant solidly booked weeks in advance. Sous chef Bill Galloway has assumed head chef duties and will try to preserve Kobayashi's innovative French stylings.

The cause of Kobayashi's death is still under investigation at presstime.

NRA predicts fifth straight growth year

By Rick Telberg

NEW YORK — Predicting a continuing economic recovery, the National Restaurant Association says in its latest annual forecast that total food-service industry sales will rise an inflation-adjusted 3.2% next year, to \$178 billion.

"It will be the industry's fifth consecutive year of sales growth and the third consecutive year of strong sales

growth," Harris Machus, NRA chairman and president, said at a New York press conference held to unveil the forecast.

"But the increase in consumer expenditures for food away from home will not be as marked as in 1984," Machus said, noting that the nation's economic growth has slowed.

The trade association's 1985 projection of 3.2% real growth

would follow a hefty 4.2% gain in 1984 and a 3.8% advance in 1983. The \$178 billion is 8.2% over 1984's level.

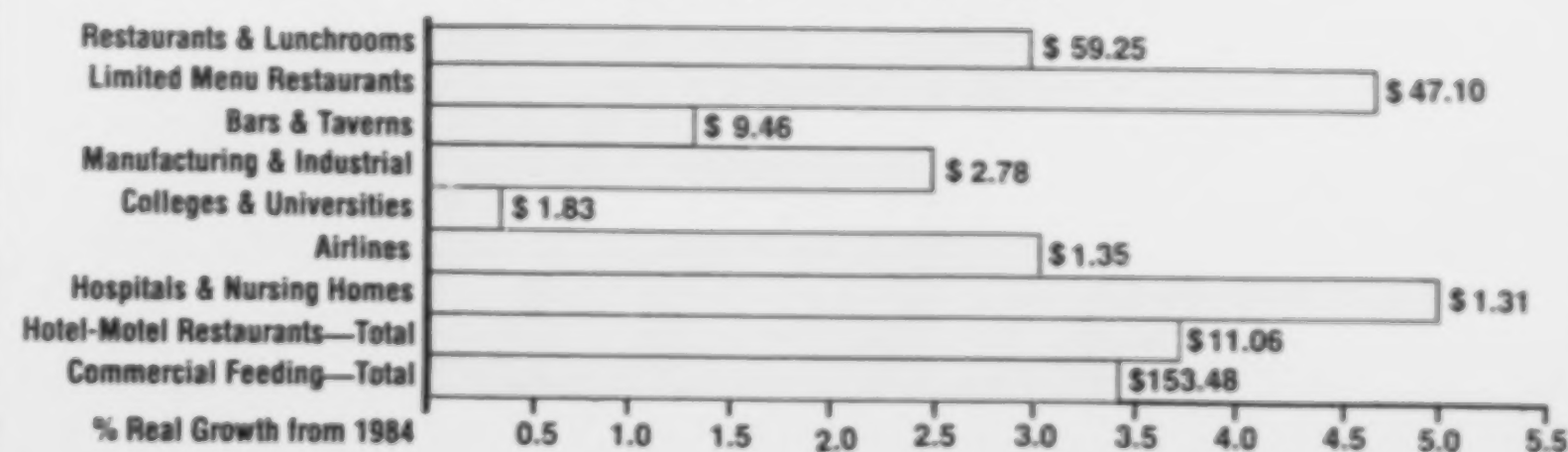
The industry's performance next year, which tends to parallel overall economic trends, will be marked by continued strength among fast-food outlets and staleness in bars and taverns, the NRA indicated.

Self-operated elementary

(Continued on page 14)

1985 COMMERCIAL FEEDING SALES

(Selected Data, Sales in \$Billions)



NRA forecasts 3.2% growth in '85 food-service sales

(Continued from page 3)
schools, high schools, colleges and universities and community centers are the only places where the NRA envisions real declines.
Expecting discount fares to

boost airline traffic, the report says airline feeding will lead all others next year, with a 5.9% real growth rate to \$10.8 billion.
The forecast generally hews to consensus estimates for na-

tional economic performance next year.

The NRA foresees real gross national product growth of 3.5%, down from 7% this year, consumer price inflation of 5%, up from 4.3%, and real disposable income of 3.5%, down from 6.5%. The NRA projects menu price inflation in 1985 of 4.9%.

Blue Chip Economic Indicators, of Phoenix, Ariz., which tracks the opinions of four dozen leading economists, projects in its latest report that real GNP growth in 1985 will be 3.3%, consumer price inflation will be 4.6% and real disposable income will be 3.4%.

Sales at commercial outlets, which account for about 87% of the industry, will reach \$153.5 billion in 1985, a \$12 billion gain, or 3.4% real growth, the NRA said.

Institutional feeders, the places that run their own operations, will show real growth of 1.3%, to \$23.5 billion, next year, according to the NRA.

In the broad eating-place

1985 INSTITUTIONAL FEEDING SALES

(Selected Data for Self-Operated Feeders)

	Sales (Billions)	Real Growth From 1984
Hospitals	\$ 9.05	1.5%
Colleges & Universities	3.56	-0.3
Nursing Homes, Asylums	3.22	1.7
Elementary Schools	2.64	-0.5
Employee Cafeterias	2.09	2.0
Clubs, Camps	1.75	3.1
Institutional Feeding Total	23.57	1.3

Source: National Restaurant Association

category, which makes up two-thirds of the industry's sales, 3.7% real growth will push volume to \$112.3 billion.

Fast-food restaurants will lead the eating-place advance, with real growth of 4.7% and sales of \$47.1 billion in 109,000 outlets.

The nation's 123,000 full-service restaurants and lunchrooms will lag, with a 3% real growth rate, adding up to 1985

sales of \$59.2 billion.

Bars and taverns, hurt by a trend away from heavy drinking, will eke out a 1.3% real growth rate, to \$9.5 billion.

Contracts feeders will gross \$9.7 billion next year, a 2.7% real growth rate. Airlines, hospitals and nursing homes will lead the way.

Restaurants in hotels and motels will ring up \$11.1 billion, a 3.7% real growth rate.

Machus cites key trends fueling growth

NEW YORK — In his remarks accompanying the National Restaurant Association's 1985 economic forecast, chairman and president Harris Machus noted what he called some of the most important industry trends.

"Several factors," Machus said, "beyond a healthy national economy are contributing to the sustained strong growth in the food-service industry."

He cited:

- **Ministores:** Chains are building down-sized restaurants that serve only take-out to fit in vest-pocket spaces. Machus named McDonald's and Church's as examples.
- **Nontraditional sites:** Chains are opening outlets on military bases and in schools, retail stores and government buildings and on toll highways.
- **Take-out:** Full-service restaurants are seeking to boost sales by offering the convenience of

"gourmet" foods and full meals, bakeries and delicatessens.

- **Ethnic foods:** Nachos, tacos, pasta and sashimi are appearing on many typical American menus.
- **Upscaling:** So-called gourmet and build-your-own-burger concepts are examples of the industry's attempt to appeal to older, richer and more sophisticated consumers.
- **Mergers and acquisitions:** Companies are diversifying into new markets by buying established operators and are reducing expansion costs by converting existing restaurants to new operations.
- **Nutrition:** Restaurateurs are writing menus with calorie counts, nutritional information, low-salt dishes and fewer fried items.
- **Breakfast:** Traffic at the morning meal has increased 57% in seven years, while total industry counts have advanced 10%.

West South Central region to bloom in '85

NEW YORK — The four-state area of Texas, Oklahoma, Arkansas and Louisiana will show the fastest growth rate for the food-service industry in 1985, according to a regional breakdown of the National Restaurant Association.

The four-state region dubbed West South Central will outstrip the national 8.6% nominal growth rate with 10.8% growth.

Other regions outperforming the nation as a whole will be, according to the NRA: the Mountain States, with 10.1%

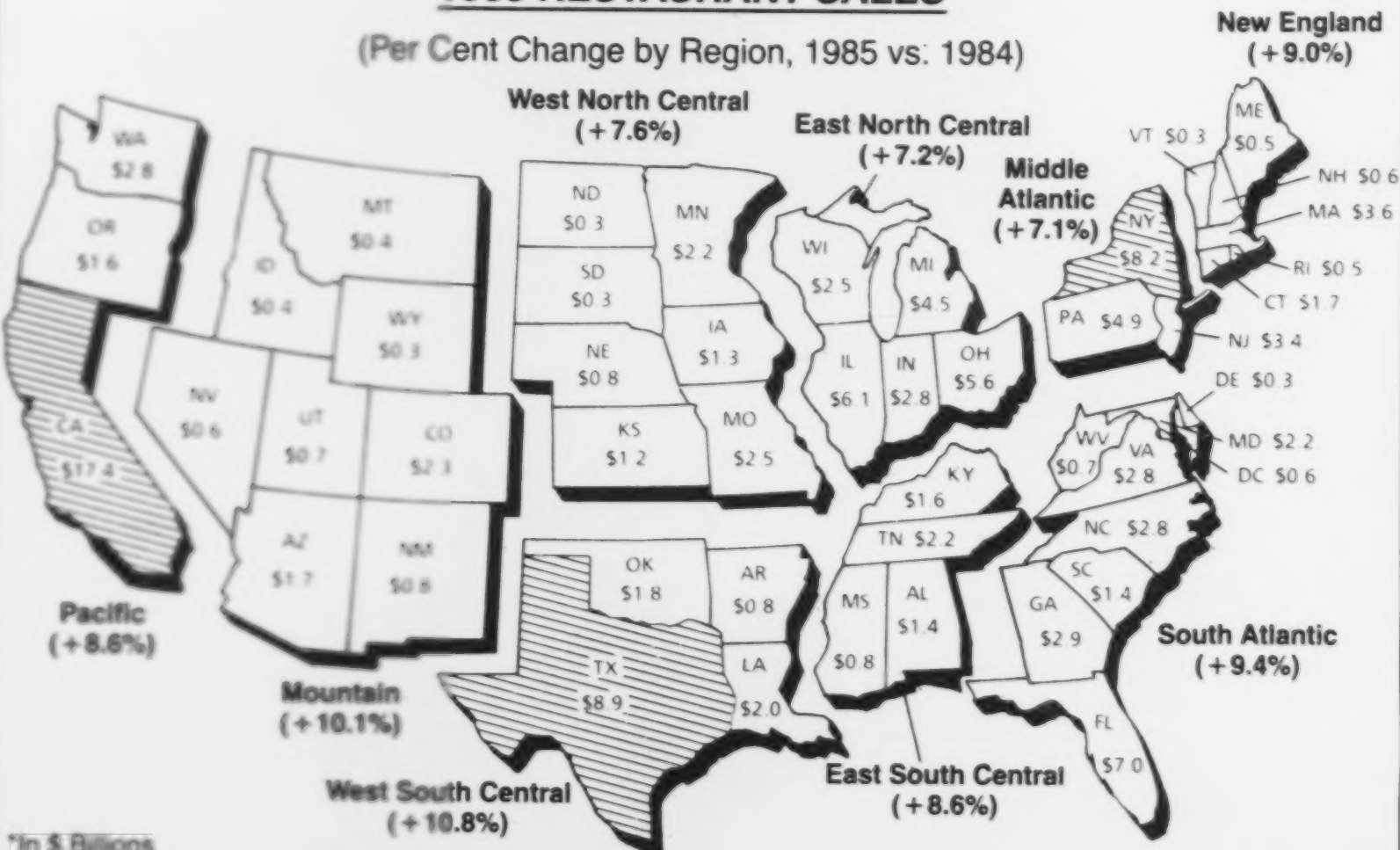
nominal growth, and New England, with 9%.

Matching the national average are: East South Central and Pacific States.

Underperformers: Middle Atlantic, 7.1%; East North Central, 7.2%; West North Central, 7.6%.

1985 RESTAURANT SALES

(Per Cent Change by Region, 1985 vs. 1984)



*In \$ Billions

Source: National Restaurant Association

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COVER STORY

NONALCOHOLIC BEVERAGE SALES RISE

By Charles Forman

It's the era of the Big Gulp. It's the heyday of big brand names. It's a time for sugar-free soft drinks, brewed decaffeinated coffee and 100% fruit juices.

It's the age of marketing, too. As consumer beverage preferences shift, often in response to broader social shifts, food-service operators are letting others—notably supermarkets—create popular nonalcoholic beverage choices. Operators are fixing their attention on the marketing tools that will build unit sales and profits.

The news, for the most part, is good. With a few small exceptions, nonalcoholic beverage sales at food-service establishments are on the rise.

Nation's Restaurant News has just completed a study of beverage sales at the leading chain restaurants in the fast-food, dinnerhouse and family restaurant categories. The results of this study, which make up the backbone of this section, highlight the great gains over the last year in food-service sales of almost every important beverage category.

Plausibly driving some of these gains is a definite shift in demand to larger and larger drink sizes.

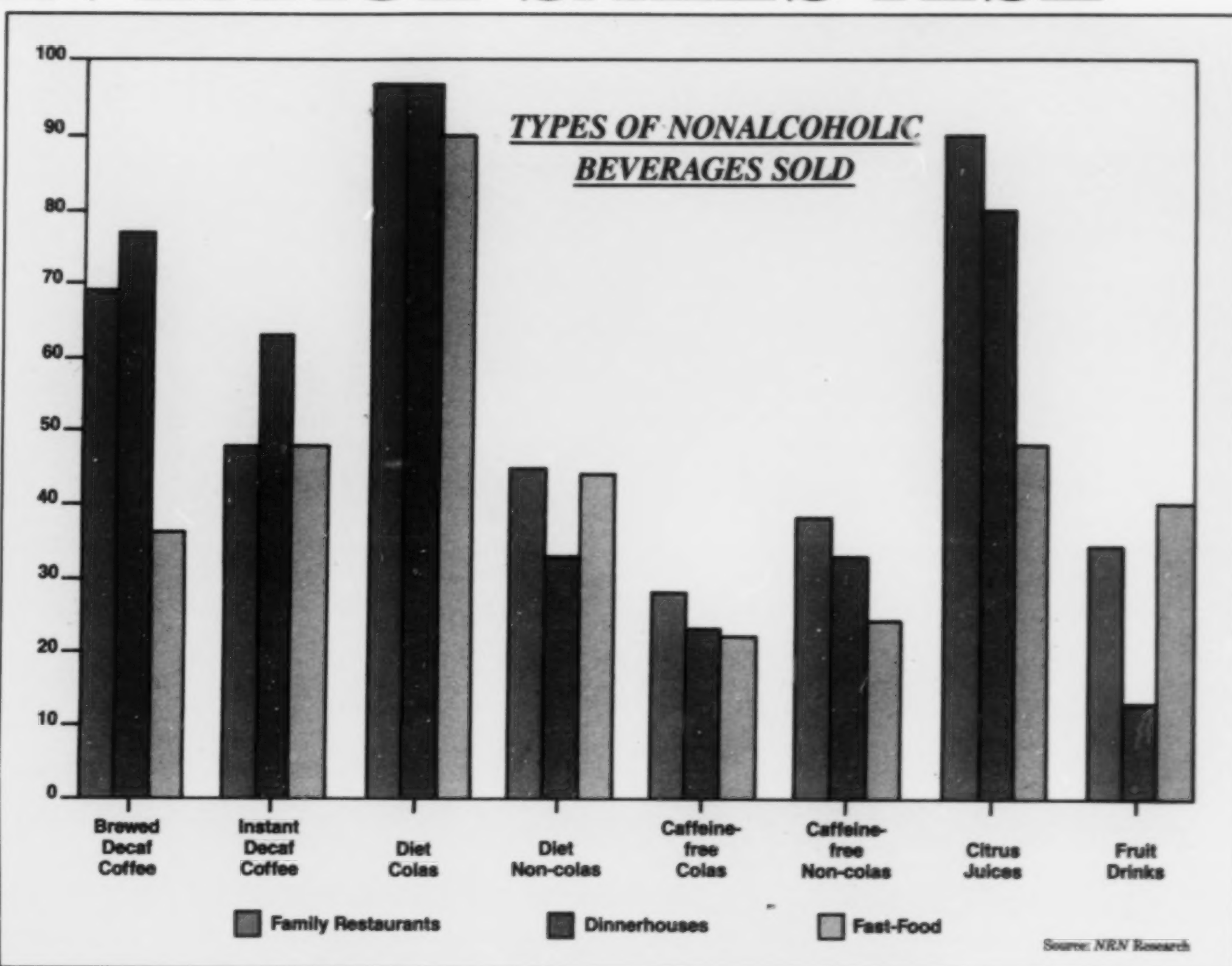
"Consumers want to go larger," exulted Charles Hawkins, marketing director at 835-unit Winchell's Donut Houses, the La Mirada, Calif.-based Denny's subsidiary.

Winchell's is now finding 15% of its soft-drink sales in a new 32-oz. size with a 90¢ regular price. Hawkins speculated that growth of super-size drink sales at the doughnut shops might relate to Winchell's mostly male, blue-collar clientele.

But Denver-based Vicorp's executive vice president for family restaurants (Village Inn and Baker's Square) Leon Irons dismissed such hedging with the flat observation that "people in general are going to larger drinks."

Dunkin' Donuts, the Randolph, Mass., owner and franchisor of about 1,300 doughnut houses, has added to its coffee offerings a new 10-oz. counter size (54¢ recommended) and a 14-oz. take-out size (67¢ recommended), a marketing executive said.

McDonald's is reportedly testing



several larger juice sizes, including a 12-oz. container.

Pizza Inn, with more than 700 fast-food pizza restaurants in the Southwest, has, like Winchell's, joined the Big Gulp (so named after 7-Eleven's super-size soft-drink offering) phenomenon, with a 32-oz. soft-drink size selling for a dime more than the 20-oz. size.

Fast-food chicken giant KFC is working on its own version of larger sizes, testing free and nominal-price pour-your-own refills in numerous stores, Scott Conner, marketing and development vice president, disclosed.

Also helping to build beverage sales

has been rapid consumer acceptance of the segmentation of traditional beverage categories by manufacturers, along with food stores' undeniable success in marketing the swelling number of new drink types.

But food stores' success with caffeine-free and sugar-free diet colas and noncola soft drinks, with ground decaffeinated coffee, with iced tea mixes, with new varieties of fruit-flavored drinks, with fruit juices and all the rest doesn't automatically translate into food-service sales.

"First of all," observed Pizza Inn marketing and advertising vice president Gene Eskew, "it's totally different

for us."

Grocery stores, Eskew noted, especially today's 40,000-sq.-ft. superstores, can feature seemingly endless aisles packed with "every conceivable type of bottle and can."

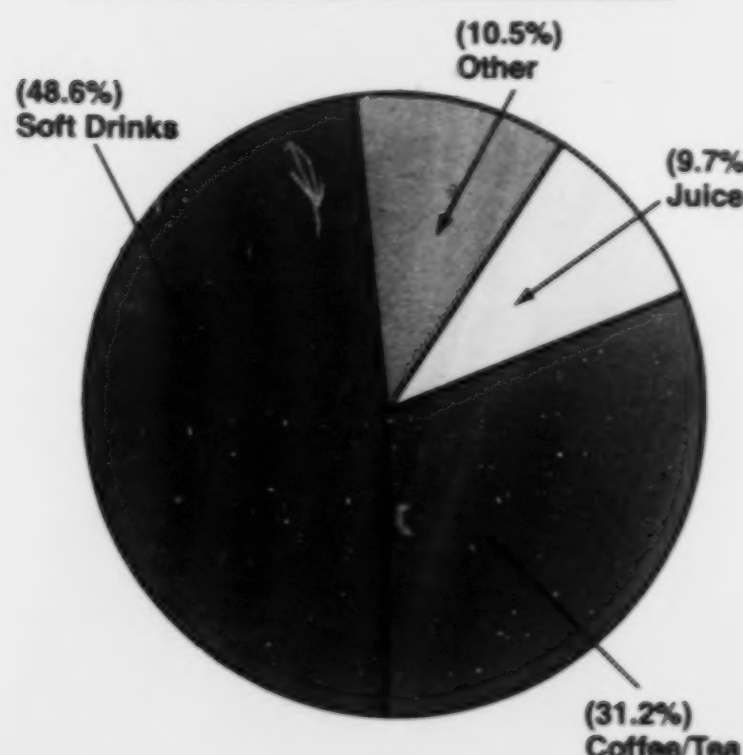
Restaurants, though many can be counted exceptions, offer primarily fountain drinks. Fast-food restaurants in particular may have only four to six fountain heads, depending on unit size.

Typically, Denny's family restaurants have just a four-headed fountain, said marketing vice president Barry Kranz.

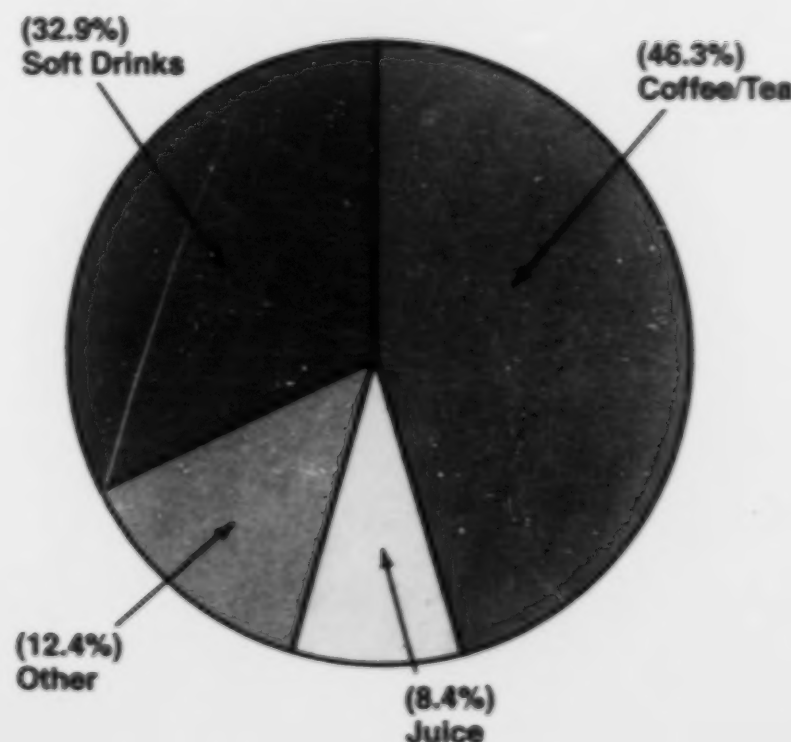
That makes choices critical to opera-

(Continued on page 5)

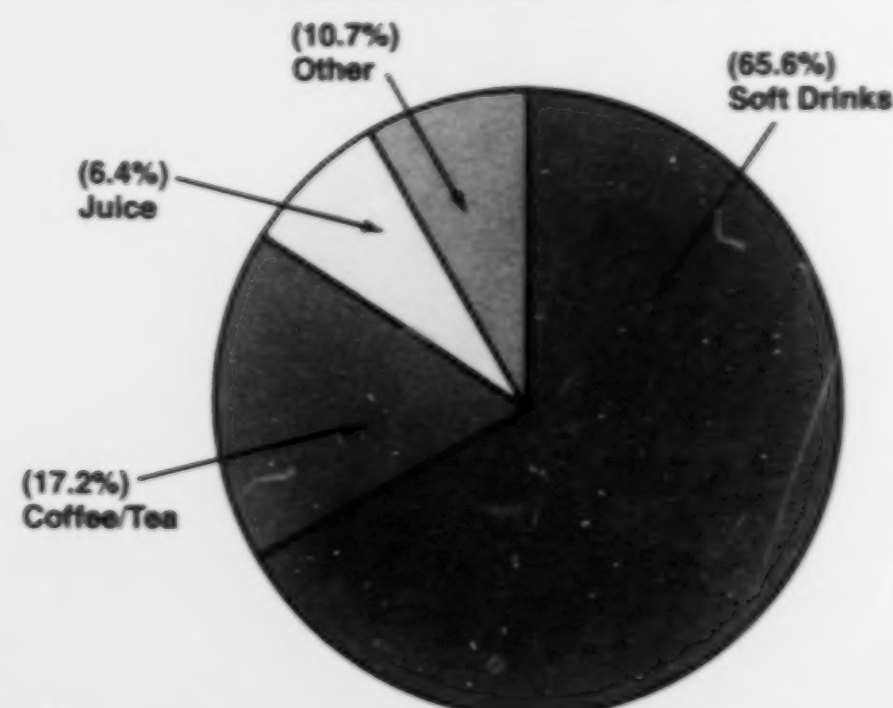
Dinnerhouse Beverage Sales



Family Restaurant Beverage Sales



Fast-Food Beverage Sales



Source: NRN Research

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NRN research reports: Nonalcoholic beverage sales rising

(Continued from page 3)

tors. As an unsurprising consequence, the fountain heads go to the big brand names. When the biggest brand name enters categories it hasn't been in before (for example, with a diet cola), a lot of switching can be expected to occur.

But operators still face that finite limit to the changes they can make, and they're well aware of this. "We couldn't afford to take both a diet cola and a caffeine-free one," KFC's Conner said.

"When the four heads are gone, that's it," said Kranz, noting, however, that Denny's has substituted a caffeine-free cola choice for a diet cola.

Winchell's Hawkins observed further that "for grocery stores and gas stations the take-out drink business is incremental."

For operators it can be the heart of their affairs. Beverage sales at Winchell's units run up to 25% of total sales. At KFC stores they may hit 20%. At Dunkin' Donuts, with its heavy—and growing—coffee sales, all beverages will account for anywhere from 25% to 35% of unit sales, depending on region.

But operators will switch to exploit demand rather than fight today's trends if the numbers look right, as the

NRN study leaves little doubt they are in many readily identifiable categories.

For many, the story of the year is turning out to be the soaring popularity of brewed decaffeinated coffee.

Vicorp executive Irons called growing demand for brewed decaf "the single biggest thing happening in nonalcoholic beverages at the food-service level."

Irons said that 75% to 80% of Vicorp patrons ordered coffee of some sort. Before brewed decaf was offered, he said, between 1.5% and 2% of Village Inn and Baker's Square patrons asked for powdered decaf in a packet.

"Now 30% [of the coffee drinkers] order brewed decaf," Irons said.

Brewed decaf has been in all 1,900 Denny's for about a year, Kranz said, echoing Irons' enthusiasm for the product.

Both Winchell's and Dunkin' Donuts, which serve regular decaf, are testing fresh-brewed. Pizza Inn is serving it in units that do a "good sit-down dinner business," Eskew said.

The NRN study showed unit sales for brewed decaf increasing most noticeably in family restaurant/coffee shops but also substantially in dinnerhouse chains and even at fast-food chains.

Brewed decaf is available in about two-thirds of the family restaurants polled, three-quarters of the dinnerhouses and one-third of the fast feeders.

It was the most frequently cited recent addition to beverage menus, and, among those not already offering it, an additional 17% said they planned to add it in the next year.

Another item of considerable interest has to be the growing sales of citrus juices at fast-food (and other) establishments. Besides sugar-free and caffeine-free soft drinks, citrus juices were the most popular recent menu addition among the fast-food group.

No doubt this has something to do with the quick expansion of breakfast service to large chunks of the fast-food universe over the last year.

But other influences (healthfulness and image) are evident in comments like Charles Hawkins' that "people want real juice, apple and orange and all the rest."

Winchell's is serving them, too, in portioned containers from a well-known brand supplier.

Kranz put the only damper on the natural juice phenomenon, reporting growing sales, but warning, "How long it will last, I don't know."

It's fair, nonetheless, to say that a lot of operator excitement is accompanying the big shifts under way in the non-alcoholic beverage market. At the same time it's only accurate to note that as much operator attention appears to be going to the marketing end—how to move product—as to the what's-hot-and-what's-not aspect.

Some are turning to their own research, instead of relying simply on information furnished by manufacturers. "We're doing top-of-mind brand awareness and concept tests," for potential beverage additions, Hawkins reported.

KFC, which has gotten its market information primarily from its main supplier, now expects to tap R. J. Reynolds' sources in addition, Conner said.

Service personnel are conscientious
(Continued on page 7)

Beverage sales breakdown: chains

Nonalcoholic beverages account for about 14% of total annual dollar volume at chain restaurants. (The breakdown is 17% at fast-food places, 14% at family restaurant/coffee shops, 10% at dinnerhouses.)

- For the year thus far, unit sales of nonalcoholic beverages of virtually all types have increased compared to the previous 12 months; a few items are stuck at 1983 unit sales levels.

- Most noticeable unit sales gains (for beverages served at least 12 months) are for sugar-free and caffeine-free soft drinks, brewed decaffeinated coffee, iced tea and noncarbonated fruit-flavored drinks.

- Brewed decaffeinated coffee is the most frequently cited recent beverage menu addition.

- Among fast-food chains the most common recent beverage additions are sugar-free and caffeine-free soft drinks and citrus juices.

- Typically, the chain establishments surveyed are open 12 to 14 hours a day. But about one-third of the fast-food operations polled say they have increased hours of operation over the past two years.

... operators will switch to exploit demand rather than fight today's trends.'



TYPES OF BEVERAGES RECENTLY ADDED TO MENU

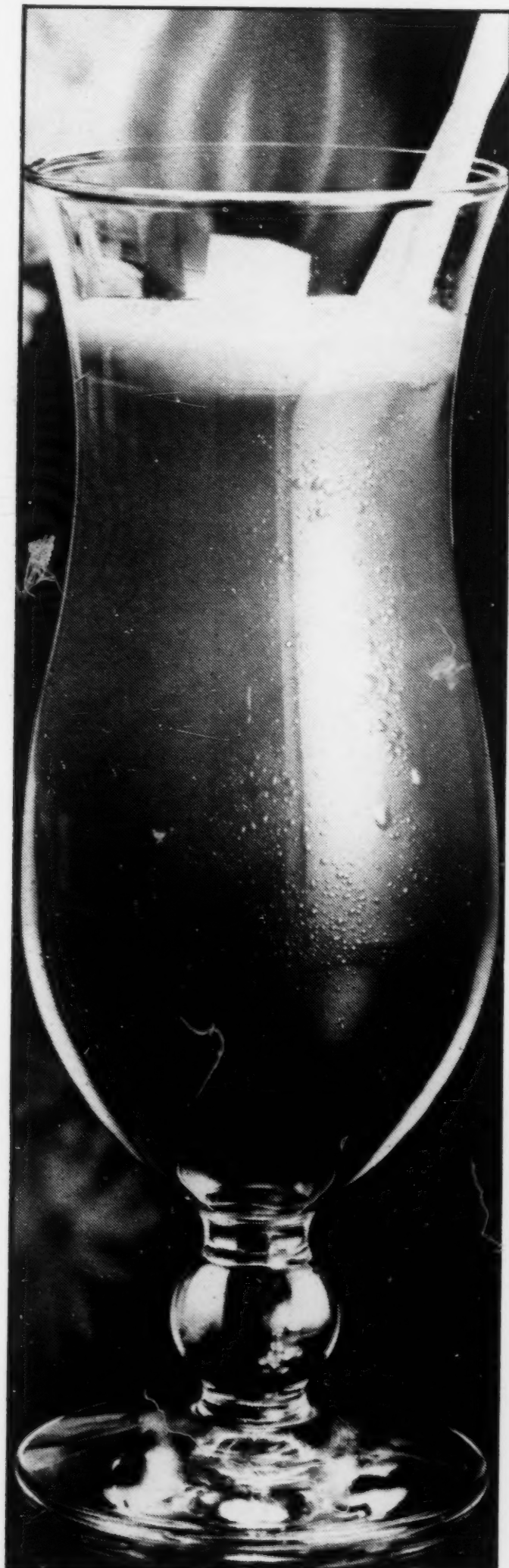
	Family Restaurant/Coffee Shop %	Dinnerhouse %	Fast-Food %
Brewed Decaffeinated Coffee	17	27	4
Sugar-Free Diet Colas	3		12
Caffeine-Free Colas	7	3	2
Regular Non-Cola Soft Drinks			8
Citrus Juices (Orange, Grapefruit, etc.)	3		6
Herbal Tea	10		
Sugar-Free/Diet Non-Cola Soft Drinks	3		2
Caffeine-Free Non-Cola Soft Drinks	3		2
Other Fruit Juices	3		2
Hot Chocolate	3		2

Source: Nation's Restaurant News Research

EXPECTED ADDITIONS TO BEVERAGE SELECTION IN NEXT YEAR

	Family Restaurant/Coffee Shop %	Dinnerhouse %	Fast-Food %
Caffeine-Free Soft Drinks	13		9
Brewed Decaffeinated Coffee	11	29	16

Source: Nation's Restaurant News Research



Fruit drinks like the one above are an ever (and increasingly) popular nonalcoholic drink.

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NRN study shows nonalcoholic beverage sales climbing

(Continued from page 5)

beverage salesmen at Vicorp, Irons noted. The company, he said, has suggestive selling contests for its servers to promote sales of larger sizes. Awards and prizes are given.

Denny's merchandises drinks occasionally with table tents but more often engages in suggestive selling, Kranz said. The favored technique is waitress buttons, bearing a promotional message.

Dunkin' Donuts became well-known for its premium travel mug and thermos of coffee promotions, which it began in 1981 and 1982, respectively. The thermos of coffee premium, priced at about \$4.99, will be available again next year.

Notably, drink promotions have taken on a certain urgency at concepts and in segments where take-out is a big part of business.

While the NRN study found no conclusive evidence that convenience stores (the bogeymen for many) have been stealing fast-food beverage sales, operator concern is justifiably strong. Not a few say they're looking for ways to smooth their operations with some oil on this squeaky wheel.

Pizza Inn's Eskew laid out the parameters of the problem. "Ninety per cent of our dining customers buy a bev-

erage. Ten per cent of our take-out customers do. But 35% of our overall business is take-out. So it's absolutely critical for us to boost take-out beverage sales."

After taking note of take-out customer complaints that melting ice diluted their soft drinks, Pizza Inn is offering to-go patrons soft drinks in bottles and cans in some units, Eskew

said. But that answer is only partial, he indicated, although the strategy's a definite sales booster; in many units storage space for crates of soda is nonexistent.



"People in general," notes one top executive, "are going toward larger drinks"—and nonalcoholic ones.

MEAN PER CENT BEVERAGE SALES COMING FROM SELECTED CATEGORIES*

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
Soft Drinks	33.4	49.4	68.5
Coffee/Tea	46.9	31.7	18.0
Juice	8.5	9.9	6.7
Other Beverages	12.6	10.7	11.2

*Means do not add to 100%, because averages are based only on those that serve selected beverages.

Source: Nation's Restaurant News Research

NET PERCENTAGE REPORTING AN INCREASE IN BEVERAGE SALES FOR SELECTED CATEGORIES OVER PAST 12 MONTHS

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
Soft Drink Colas			
Regular Cola	+ 17	+ 11	+ 22
Sugar-Free/Diet Cola	+ 56	+ 52	+ 62
Caffeine-Free Cola	+ 50	+ 80	+ 60
Non-Cola Carbonated Soft Drinks			
Regular Non-Cola	+ 13	+ 24	+ 15
Sugar-Free/Diet Non-Cola	+ 58	+ 50	+ 38
Caffeine-Free Non-Cola	+ 30	+ 30	+ 36
Coffee/Tea			
Brewed Regular	+ 18		+ 2
Brewed Decaffeinated	+ 47	+ 36	+ 19
Instant Decaffeinated	- 14	+ 12	
Iced Coffee	+ 8		- 100
Tea	+ 3	+ 10	+ 10
Iced Tea	+ 44	+ 36	+ 22
Juice			
Citrus Juices (Orange, Grapefruit, etc.)	+ 16	+ 19	+ 14
Other Fruit Juices	+ 6	+ 25	+ 15
Other Beverages			
Milk	+ 4	- 4	+ 14
Noncarbonated Fruit-Flavored Drinks	+ 20		+ 35
Hot Chocolate	- 5	+ 6	+ 9

Source: Nation's Restaurant News Research

TYPES OF NONALCOHOLIC BEVERAGES SOLD

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
Soft Drink Colas			
Regular Colas	96	100	96
Sugar-Free/Diet Colas	97	97	90
Caffeine-Free Colas	28	23	22
Non-Cola Carbonated Soft Drinks			
Regular Non-Cola Soft Drinks	79	90	94
Sugar-Free/Diet Non-Cola Soft Drinks	45	33	44
Caffeine-Free Non-Cola Soft Drinks	38	33	24
Coffee/Tea			
Brewed Regular Coffee	100	100	94
Iced tea	97	97	76
Tea	97	100	64
Brewed Decaffeinated Coffee	69	77	36
Instant Decaffeinated Coffee	48	63	48
Iced Coffee	41	47	2
Juice			
Citrus Juices (Orange, Grapefruit, etc.)	90	80	48
Other Fruit Juices	62	57	16
Other			
Milk	90	97	86
Noncarbonated Fruit-Flavored Drinks	34	13	40

Source: Nation's Restaurant News Research

CHANGING HOURS OF OPERATIONS

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
Change over Past Two Years			
Increased	3	7	32
Remained the same	83	87	66
Decreased	14	3	2
No answer		3	
Anticipated Change in Hours			
Increase	17	10	20
Remained the same	83	83	78
Decrease		7	2

Source: Nation's Restaurant News Research

FOCUS | NRN

Decaffeinated beverages make big gain in industry

If thinking current beverage trends brings to mind a heady aroma of brewed decaffeinated coffee, you're in good—at least plentiful—company.

Brewed decaf is without doubt the story of the year in terms of chain food-service sales of nonalcoholic beverages.

This beverage-from-the-laboratory has quickly staked out a secure place on menus in every major segment and is swiftly building a considerable following.

Nation's Restaurant News' recent broad-based study of nonalcoholic beverage trends at major chain segments found brewed decaf already on the menu at 69% of family restaurants, 77% of dinnerhouses and 36% of fast-food restaurants polled.

Its addition is reported as "recent" at 17% of the family restaurants, 27% of the dinnerhouses and 4% of the fast-food restaurants that took part in the study.

What's more, a greater number will add brewed decaf to their menus in the next year than will add any other beverage.

Twenty-nine per cent of dinnerhouses, 16% of fast-food operators and 11% of family restaurants all told NRN researchers they expected to put brewed decaffeinated coffee on their menus within the next 12 months.

The only other beverage category eliciting a remotely similar response was caffeine-free soft drinks. Thirteen per cent more family restaurants and 9% more fast-food operators than serve no-caffeine soft drinks now expect to have them on the menu within the next 12 months.

These and other significant findings reported in the current study tend to confirm broad-based changes in the overall beverage market highlighted in

other recent data compiled by the Department of Agriculture and leading trade associations.

The NRN study found unit sales of nonalcoholic beverages on the rise for virtually every beverage type. Particular increases were found for caffeine-free cola, sugar-free/diet cola, sugar-free/diet noncola, brewed decaf, iced tea, caffeine-free noncola and noncarbonated fruit-flavored drinks.

But regular cola, regular noncola, citrus juices and noncitrus fruit juices also registered meaningful gains in popularity at the units participating in the NRN study.

For one thing, people are drinking more commercially produced beverages than ever, and food-service operators are apparently taking their share of the gross gains.

The Agriculture Department's Economic Research Service has reported per-person consumption of milk, coffee, tea, beer, wine, soft drinks and fruit juices at an average 133 gal. per person in 1982, compared to 114 gal. per person in 1962.

Obviously, drinking habits are changing, driven by the demands of a population shifting in demographic mix and adopting new lifestyles.

Of the five beverages most often available in restaurants of all types participating in the NRN study (regular cola, 97%; brewed regular coffee, 97%; sugar-free/diet cola, 94%; milk, 90%; regular noncola soft drinks, 89%), three are soft drinks.

This is the soft-drink generation. Unsurprisingly, the NRN study confirmed that beverages such as iced tea, tea, citrus juices, hot chocolate, brewed decaffeinated coffee, noncitrus fruit juices, iced coffee and herbal tea find their primary away-from-home demand at family restaurants and din-

AVERAGE PRICE FOR EACH AVAILABLE SOFT DRINK SIZE

	Family Restaurant/ Coffee Shop Current/Year Ago \$	Dinnerhouse Current/Year Ago \$	Fast-Food Current/Year Ago \$
6-10 oz.	0.64/0.60	0.75/0.69	0.47/0.44
11-14 oz.	0.72/0.68	0.68/0.62	0.54/0.53
15-24 oz.	0.77/0.74	0.97/0.92	0.69/0.66
Over 24 oz.	0.95/0.85		0.85/0.82

Source: Nation's Restaurant News Research

SOFT DRINK SIZES CURRENTLY AVAILABLE

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
6-10 oz.	54	54	55
11-14 oz.	71	57	71
15-24 oz.	29	11	96
Over 24 oz.	7		37

Source: Nation's Restaurant News Research

nerhouses.

Soft drinks definitely have their primary identification with the fast-food segment, which also happens to be, in gross terms, not percentages, the fastest-growing part of the eating-out business.

The overall marketplace shift to soft drinks seems due to population aging (thus, fewer milk drinkers), a historic dislocation of the coffee market about 20 years ago (which literally turned the brew bitter), increased physical activity and the time many more people now spend outdoors.

The principal current changes reported by the NRN study, however, may owe much to the need that the larger beverage manufacturers feel to segment their product offerings in a way that directly appeals to the increasingly frequent health-related choices consumers seem to be making in both food and beverage choices.

Following brewed decaf as the most frequent recent beverage menu addition (14% of all operators adding) reported in the NRN study were sugar-free/diet cola (6%), caffeine-free cola (4%), regular noncola (4%), citrus juices (4%), herbal tea (3%), sugar-free/diet noncola (2%), caffeine-free noncola (2%), hot chocolate (2%) and

noncitrus fruit juices (2%).

The amazing growth of brewed decaf fits well into the picture of consumers expressing health-related preferences and shouldn't astonish those who've followed the market closely.

For one thing, coffee consumption in this country has actually been relatively stable for the last three years, according to government figures. A recent study by the International Coffee Organization actually reported a slight increase in the percentage of the population drinking coffee. The largest gain came in the percentage of those who drink decaf.

Beverage sales and their importance differ, sometimes by wide margins, from one type of operation to another. The current study found that overall, nonalcoholic beverage sales account for about 14% of annual dollar volume at all chain restaurants. But they represent 17% of total sales at fast-food places, 14% at family restaurants and only 10% at dinnerhouses, where bar sales are the real center of attention.

For copies of the complete Nation's Restaurant News study, write Beverage Profile, c/o Ms. Ilene Stargot, Nation's Restaurant News, 425 Park Ave., New York, N.Y. 10022. Cost is \$25.

PERCENTAGE OF TOTAL ANNUAL DOLLAR SALES COMING FROM NONALCOHOLIC BEVERAGES

	Family Restaurant/ Coffee Shop %	Dinnerhouse %	Fast-Food %
10% or less	48	60	28
11%-20%	31	20	40
21%-30%	14	10	14
31%-40%	3		
Don't know/no answer	4	10	18

Source: Nation's Restaurant News Research

RESTAURANT NEWS QUIZ

Take the Restaurant News Quiz below and check the correct answers on Page 74.

1. Morrison surprised food service by opening a cafeteria outside the South, the only area where cafeterias are strong. Where is the new Morrison cafeteria?

- a) Juneau Alaska
- b) Portland, Me.
- c) Portland, Ore.
- d) Annapolis, Md.

2. President Reagan stopped at a fast-food restaurant for lunch on a re-

cent campaign trip. What did he order?

- a) Chateaubriand
- b) A platter of tapas
- c) A Big Mac
- d) Veal marsala

3. Serendipity's co-owner Stephen Bruce says customers in what city "gobble down food" and dine at a frenetic pace?

- a) Des Moines
- b) New York
- c) Los Angeles
- d) Peoria, Ill.

4. A Phoenix resort operator reports strong, above-average occupancy rates and credits strong food service and marketing. Identify the resort.

- a) Pointe Resorts
- b) Big Four Resorts
- c) Grand Canyon Hacienda
- d) Painted Forest Hotel

5. Many operators are opening new profit centers in their restaurants. What are they?

- a) Video game rooms
- b) Goat cheese shops
- c) Take-out shops
- d) Daily numbers games

6. Chi-Chi's, a Mexican dinnerhouse chain, is testing a new dinner entree. Identify it.

- a) Gourmet burritos
- b) Grilled halibut steak
- c) Premise-made chili pasta
- d) Radicchio tamales

7. Keith Reinhard penned what famous jingle?

- a) "Have it your way."
- b) "I did it my way."
- c) "Have a nice day."
- d) "You deserve a break today."

8. Where, according to a new ad, can

you have anything you want?

- a) Ponderosa
- b) Sizzler
- c) Bonanza
- d) Alice's Restaurant

9. Peter Morton recently disclosed plans to open a restaurant in Chicago similar to his operations in Los Angeles and San Francisco. Name the restaurant.

- a) Hard Knocks Cafe
- b) Silver Spoon Cafe
- c) Chip Off the Old Block Cafe
- d) Hard Rock Cafe

10. Who said, "Had I known about the problems before we started, I would have left town on the next bus"?

- a) Walter Mondale
- b) General Westmoreland
- c) John Portman
- d) John Teets

FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

Index drops 2.6 pts. in lighter trading

(Continued from page 91)
surgers, Restaurant Systems shares changed hands 237% faster than the stock's 12-week average, gaining 25¢, to close at \$12.50.

Restaurant Systems released its nine-month financial results during the week,

which showed year-to-date earnings of 68¢, a 24% gain.

Hamburger Hamlets was also a leading volume trend gainer, with 200% more shares trading than usual. Hamburger Hamlets hit a 52-week high of \$12.25 after adding 25¢.

Vicorp Restaurants, 155% higher than normal, lost \$1.38, to close at \$14.38. It clarified some earnings projections during the week.

Two issues fared poorly in their first appearance on the NRN stock lists. American Restaurants, a Los Angeles-

based Wendy's franchisee, hit a 52-week low after sinking 50¢, to \$3.25. D'Lites of America, an Atlanta-based fast-food franchisor, lost 25¢, to \$14.13.

Among the leading losers of the week, Peoples Restaurants slipped 25¢, to 75¢.

NRN STOCK INDEX

2.6

VOLUME TREND LEADERS

Company Name	Volume Trend Change %	Company Name	Volume Trend Change %
Restaurant Sys	236.9	Cainy Food	139.4
Sonesta Intl	233.3	Rusty Pelican	117.9
Hambg Hamlet	200.0	Kelly-Johnston	105.3
Vicorp Restaurants	155.0	Ritzys G D	103.4
Kapok Cp	154.3	Acapulco Rest	91.7

TOP TEN GAINERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Fast Food Oper	16.7	Ryans Fam Steak	2.6
Allegheny Bev	5.7	Ogden Corp	2.4
Ritzys G D	4.8	Hambg Hamlet	2.1
Collins Foods	3.9	Restaurant Sys	2.0
Assoc Hosts	2.7	Intl Dairy Queen	1.2

TOP TEN LOSERS

Company Name	Weekly Price Change %	Company Name	Weekly Price Change %
Peoples Rest	-25.0	Amer Rest	-13.3
Kelly-Johnston	-24.0	Cracker Barrel	-12.3
Esteban Foods	-18.8	Ponderosa Sys	-10.6
Chi-Chi's	-18.5	Kapok Cp	-9.1
Consul Restaurant	-13.5	Vicorp Restaurants	-8.7

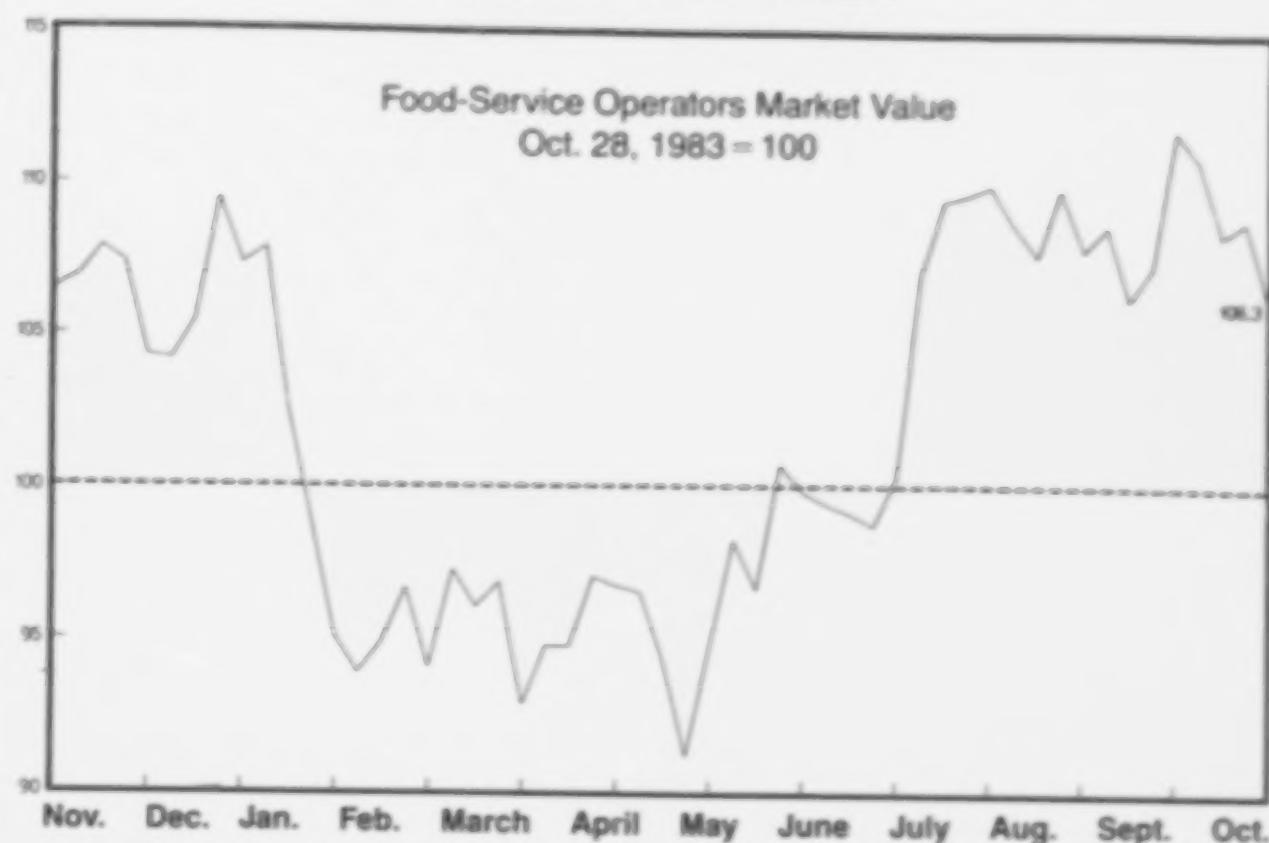
Stock Market

Financial Update

Company and Market	Price								Volume				P/E	Indicated			Latest Report			Latest Quarter						Year-to-Date						
	11-16-84			Weekly		52-Week		Weekly		12-Week		Trend		Divd. Rate		New	Period	Date	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.			
	Close	Amt.	Pct.	High	Low	High	Low	Total	% Out	Avg. Vol.	% Out			Amt.	Yld.				Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.
	\$	\$	%	\$	\$	\$	\$	(100)	%	%	%			%	\$				%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$
Food-Service Operators																																
A&M Food Svcs.....O	3.75	-13	-3.2	4.25	3.75	8.75	3.75	120	.34	.42	-19.0	10.7	.00	.0	---	9 mos.	09-84	8.1	26.6	.4	.0	.11	-26.7	22.1	28.5	1.1	22.2	.30				
Acapulco Rest.....O	4.25	.00	.0	4.38	4.25	6.50	3.88	228	.92	.48	91.7	NE	.00	.0	---	9 mos.	07-84	19.0	86.3	.0	-100.0	.01	-91.7	28.3	.7	.3	NE	.14				
Amer Rest.....O	3.25	-.50	-13.3	3.50	3.25	6.00	3.25	200	.87	.63	38.1	12.0	.00	.0	---	fiscal	01-84	NC	NC	NC	NC	NC	NC	15.1	65.9	.4	100.0	.27				
ARA Services.....N	70.13	.50	.7	70.38	70.00	70.38	40.25	4,819	4.00	4.69	-14.7	13.5	2.10	3.0	---	fiscal	09-84	835.8	7.7	14.2	34.0	1.12	31.8	3406.1	11.4	64.4	19.9	5.19				
Assoc Hosts.....M	14.38	.38	2.7	14.88	13.75	17.13	10.50	1,731	3.52	5.52	-29.0	16.5	.12	.8	---	9 mos.	06-84	24.0	3.9	1.1	10.0	.23	4.5	71.1	9.0	3.0	30.4	.66				
Beefsteak Char.....A	2.75	-.13	-4.3	2.88	2.63	5.00	2.63	498	.88	.61	44.3	2.1	.00	.0	---	9 mos.	07-84	19.9	-12.3	(.4)	NC	.07	600.0	68.7	-6.4	(1.7)	-100.0	.30				
Bob Evans Farms.....M	17.50	-.25	-1.4	17.75	17.25	24.90	14.75	600	.37	.37	.0	17.5	.30	1.7	---	3 mos.	07-84	54.0	14.2	4.4	7.3	.27	8.0	54.0	14.2	4.4	7.3	.27				
Calibre Cp.....M	3.50	-.25	-6.7	4.00	3.50	9.00	3.25	41	.14	.19	-26.3	NE	.00	.0	---	9 mos.	04-84	3.7	60.9	(.2)	-100.0	(.08)	-100.0	10.4	147.6	(.9)	-100.0	(.31)				
Cahny Food.....M	9.25	-.25	-2.6	9.50	8.88	10.75	7.25	1,730	3.83	1.60	139.4	16.2	.16	1.7	---	6 mos.	08-84	13.0	19.3	.5	.0	.12	-7.7	25.0	14.7	1.4	40.0	.31				
Capt Crab Inc.....M	1.88	.00	.0	2.00	1.88	6.13	1.63	1,300	1.14	2.32	-50.9	NE	.00	.0	---	9 mos.	05-84	2.6	766.7	(.5)	NC	(.04)	NC	3.7	362.5	(.6)	NC	(.05)				
Carrots Cp.....N	9.13	-.50	-5.2	9.88	9.00	10.88	7.13	587	.76	.78	-2.6	13.8	.05	.5	---	3 mos.	08-84	38.3	19.3	2.1	16.7	.28	-6.7	38.3	19.3	2.1	16.7	.28				
Chi-Chi's.....M	11.00	-2.50	-18.5	13.13	10.88	25.38	11.00	20,270	7.53	4.41	70.7	15.7	.00	.0	---	3 mos.	07-84	45.2	27.3	5.0	38.9	.19	26.7	45.2	27.3	5.0	38.9	.19				
Chilis Inc.....O	23.00	-1.25	-5.2	23.88	23.00	24.25	12.75	1,106	2.46	4.31	-42.9	39.0	.00	.0	NEW	3 mos.	09-84	15.0	47.1	.9	125.0	.21	75.0	15.0	47.1	.9	125.0	.21				
Churchs Fr Ch.....N	28.00	-.50	-1.8	28.50	28.00	30.63	21.25	805	.43	1.87	-77.0	14.6	.80	2.9	---	9 mos.	09-84	124.8	13.0	10.4	-2.8	.55	-1.8	355.5	17.4	28.1	19.6	1.49				
Collins Foods.....N	23.38	.88	3.9	23.88	22.38	25.38	14.88	591	.68	1.05	-35.2	12.6	.24	1.0	---	3 mos.	07-84	115.1	24.3	4.8	23.1	.55	17.0	115.1	24.3	4.8	23.1	.55				
Concept Dev.....O	8.75	.00	.0	9.25	8.75	17.69	6.00	444	.86	1.95	-55.9	12.7	.00a	.0	---	fiscal	06-84	14.2	NC	.7	NC	(.03)	NC	41.8	435.9	3.4	3300.0	.69				
Consol Prots.....O	5.00	.00	.0	5.13	5.00	9.50	4.75	53	.14	.77	-81.8	16.7	.00	.0	---	9 mos.	06-84	16.0	3.9	.3	-40.0	.09	.0	51.4	6.4	.7	-12.5	.19				
Consul Restaurant.....M	5.63	-.88	-13.5	6.38	5.63	17.50	5.63	1,666	3.70	2.19	68.9	22.5	.00	.0	---	3 mos.	08-84	21.1	33.5	.0	-100.0	.01	-87.5	21.1	33.5	.0	-100.0	.01				
Cracker Barrel.....M	12.50	-1.75	-12.3	14.00	12.50	23.50	12.50	694	2.48	5.38	-53.9	12.8	.14	1.1	---	fiscal	07-84	17.3	21.8	1.2	20.0	.46	12.2	56.9	24.5	2.7	35.0	.96				
Cucos Inc.....O	3.75	-.25	-6.3	4.50	3.75	5.00	3.50	42	.37	.36	2.8	19.7	.00	.0	---	9 mos.	03-84	.7	NC	.1	NC	.03	NC	2.1	NC	.1	NC	.10				
Denny's Inc.....N	41.38	.50	1.2	41.63	40.88	41.63	30.25	3,126	2.02	3.45	-41.4	15.6	.72	1.7	---	3 mos.	09-84	326.4	1.9	12.1	-12.3	.75	-11.8	326.4	1.9	12.1	-12.3	.75				
Diversifoods.....M	10.88	-.88	-7.4	11.38	10.63	19.13	10.50	26,184	7.81	10.18	-23.3	12.0	.26	2.4	NEW	9 mos.	09-84	148.8	16.0	7.0	-26.3	.21	-25.0	420.7	17.1	22.2	-9.8	.66				
D'Lites Of Amer.....O	14.13	-.25	-1.7	14.38	14.13	14.38	11.50	807	1.65	NC	NC	NM	.00	.0	---	fiscal	03-84	NC	NC	NC	NC	NC	NC	3.4	183.3	.2	NE	.09				
Dunkin Donuts.....M	22.63	-1.13	-4.7	23.38	22.50	26.25	18.13	365	.77	.91	-15.4	12.4	.32	1.4	---	9 mos.	07-84	21.9	30.4	2.3	9.5	.48	17.1	66.4	16.5	7.0	14.8	1.44				
El Chico.....M	8.63	.00	.0	8.75	8.63	14.75	7.75	640	1.38	2.08	-33.7	10.8	.00	.0	---	3 mos.	08-84	21.1	9.9	.9	.0	.20	.0	21.1	9.9	.9	.0	.20				
El Torito Rest.....N	12.25	.00	.0	12.50	12.13	14.63	9.00	167	.15	.37	-59.5	12.9	.00	.0	NEW	9 mos.	09-84	65.9	17.3	4.1	5.1	.35	40.0	189.0	20.5	9.0	32.4	.78				
Fast Food Oper.....O	1.31	.19	16.7	1.38	1.13	2.75	.69	987	1.67	.99	68.7	21.9	.00	.0	---	fiscal	12-83	1.8	38.5	.0	NC	.01	NC	6.1	32.6	.3	.0	.06				
Flakey Jakes.....O	7.50	-.38	-4.8	7.75	7.50	9.13	4.00	896	1.28	1.82	-29.7	NE	.00	.0	NEW	9 mos.	09-84	3.3	NC	(.3)	NC	(.05)	NC	6.6	NC	(.7)	NC	(.11)				
Frisch's.....A	30.38	.00	.0	30.38	30.00	32.75	24.00	10	.05	.17	-70.6	16.9	.40b	1.3	---	3 mos.	08-84	40.5	7.4	1.7	.0	.38	-51.9	40.5	7.4	1.7	.0	.38				
Fuddruggers Inc.....M	12.38	-.13	-1.0	12.75	12.25	17.50	9.25	748	1.15	1.67	-31.1	NM	.00	.0	---	6 mos.	06-84	5.4	NC	(.4)	NC	(.06)	NC	9.7	NC	(.6)	NC	(.09)				
Garcias Scot.....M	3.00	-.25	-7.7	3.25	2.88	8.75	2.88	962	1.61	1.22	32.0	NE	.00	.0	---	6 mos.	06-84	12.6	40.0	.2	NE	.03	NE	29.7	57.1	.0	NE	.00				
Good Taco.....M	1.75	.00	.0	1.75	1.50	7.00	1.50	244	1.00	1.47	-32.0	NE	.00	.0	---	3 mos.	05-84	4	300.0	(.3)	NE	(.13)	NE	4	300.0	(.3)	NE	(.13)				
Hambrg Hamlet.....O	12.25	.25	2.1	13.00	12.00	12.25	9.75	37	.51	.17	200.0	10.6	.00	.0	---	fiscal	03-84	9.3	2.2	.2	NE	.30	NE	35.5	4.4	.8	NE	1.16				
Hungry Tiger.....M	4.75	-.13	-2.6	5.00	4.75	9.00	4.25	189	.67	1.11	-39.6	26.4	.00	.0	---	fiscal	08-84	14.9	-11.8	(.2)	NE	(.05)	NE	67.3	5.5	.5	NC	.18				
Intl Dairy Queen.....O	41.00	.50	1.2	42.00	40.50	41.00	32.50	8	.04	.33	-87.9	11.9	.00	.0	---	9 mos.	08-84	40.8	8.2	(26.6)	-100.0	1.61	15.8	106.5	14.3	6.6	6.5	3.03				
Intl King Tab.....M	15.75	-.25	-1.6	16.25	15.25	18.63	11.38	922	3.24	1.95	66.2	11.8	.00a	.0	NEW	3 mos.	09-84	19.2	6.7	1.1	37.5	.36	24.1	19.2	6.7	1.1	37.5	.36				
JB's Rest.....M	14.25	-.38	-2.6	14.50	14.00	16.25	10.38	196	.86	1.35	-36.3	12.8	.20	1.4	---	9 mos.	06-84	22.2	32.1	1.0	25.0	.42	20.0	48.7	23.0	1.9	26.7	.80				
Jerrico Inc.....M	17.50	-.75	-4.1	18.25	17.25	19.63	11.88	4,001	2.54	4.75	-46.5	13.5	.12	.7	NEW	3 mos.	09-84	131.9	7.6	6.3	6.8	.39	5.4	131.9	7.6	6.3	6.8	.39				
Kapok Cp.....A	2.50	-.25	-9.1	2.88	2.38	5.88	1.13	1,335	5.95	2.34	154.3	NE	.00	.0	---	fiscal	09-83	3.4	88.9	(1.7)	NE	(.70)	NE	12.3	7.9	(2.7)	NE	(1.29)				
Kelly-Johnston.....M	2.38	-.75	-24.0	3.13	2.00	16.00	2.38	2,308	2.71	1.32	105.3	NE	.00	.0	---	3 mos.	06-84	28.3	155.0	(3.7)	-100.0	(.44)	-100.0	28.3	155.0	(3.7)	-100.0	(.44)				
Karcher Carl.....M	15.00	-.75	-4.8	15.50	15.00	39.50	14.75	3,037	4.30	3.26	31.9	9.3	.00	.0	---	6 mos.	07-84	80.7	17.1	3.3	-2.9	.50	8.7	178.8	19.5	6.9	3.0	.98				
Luby's Cafe.....N	29.50	-.75	-2.5	30.25	29.50	32.00	23.63	174	.14	.26	-46.2	20.6	.54	1.8	---	fiscal	08-84	48.7	32.7	5.0	28.2	.41	28.1	174.9	23.7	17.4	25.2	1.43				
Marcus Corp.....M	14.63	-.25	-1.7	14.88	14.50	15.25	11.38	143	.28	.26	7.7	10.1	.28	1.9	---	3 mos.	08-84	33.5	2.8	2.8	3.7	.55	1.9	33.5	2.8	2.8	3.7	.55				
Marriott Corp.....N	74.00	-2.25	-3.0	76.13	73.88	80.25	58.50	710	.28	.70	-60.0	16.4	.44	.6	---	9 mos.	09-84	834.2	11.7	35.6	-2.7	1.33	.8	2402.7	15.1	92.6	10.0	3.41				
Maverick Rest.....O	5.00	-.25	-4.8	5.25	5.00	7.00	4.50	208	.42	.32	31.3	38.5	.00	.0	---	6 mos.	07-84	2.9	NC	.3	NC	.05	NC	5.3	NC	.5	NC	.10				
McDonald's Cp.....N	51.00	-1.13	-2.2	52.75	50.88	55.88	40.84	5,558	.63	1.22	-48.4	12.0	.82	1.6	NEW	9 mos.	09-84	944.7	8.3	114.3	13.6	1.29	14.2	2555.0	12.1	297.9	13.4	3.36				
Morrison Inc.....M	16.50	-.38	-2.2	17.00	16.13	19.75	13.13																									

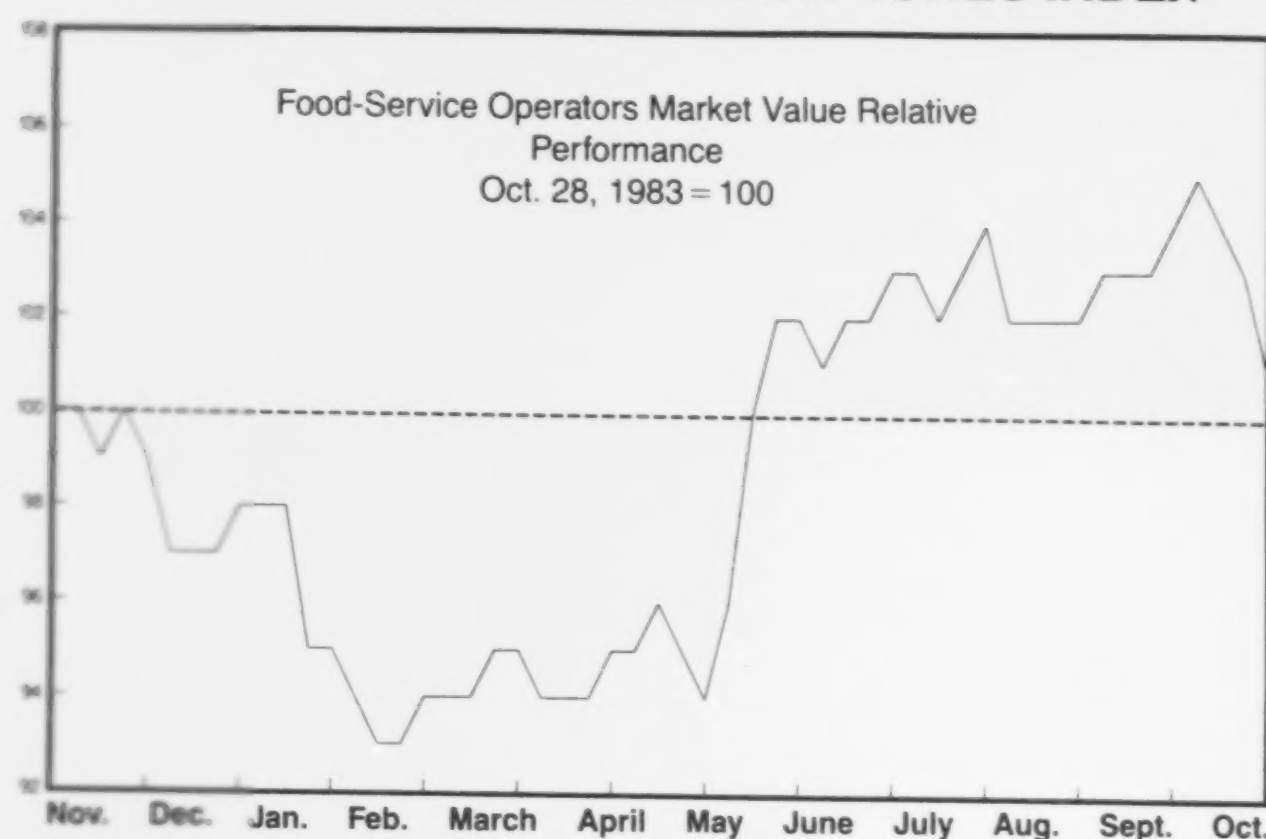
FOOD-SERVICE CHAIN STOCK ANALYSIS TABLE

NRN STOCK INDEX



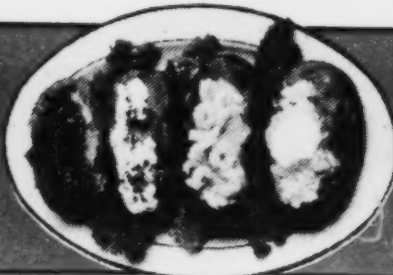
Source: Media General Financial Services

NRN STOCK INDEX VS. DOW JONES INDEX



Source: Media General Financial Services

Company and Market	Stock Market												Financial Update																			
	Price								Volume				P/E	Indicated		Latest Report			Latest Quarter						Year-to-Date							
	11-16-84		Weekly Change		Weekly Range		52-Week Range		Weekly Shares Traded		12-Week Avg. Vol.			Trend	Divd.	Rate	New Report	Period	Date Ended	Revenue		Net Income		E.P.S.		Revenue		Net Income		E.P.S.		
	Close		Amt.	Pct.	High	Low	High	Low	Total	% Out	As % Out	Change								Amt.	Yld.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.	Chg.	Amt.
	\$		\$	%	\$	\$	\$	\$	(100)	%	%	%		\$	%				\$Mil	%	\$Mil	%	\$	%	\$Mil	%	\$Mil	%	\$	%		
Old Fashion Fd	O	5.25	.00	.0	6.00	5.25	7.25	4.75	64	46	.38	21.1	9.5	.00	.0		3 mos.	08-84	3.3	37.5	2	.0	.13	-13.3	3.3	37.5	2	.0	.13	-13.3		
Pancho Mex Buffet	M	7.00	-.13	-1.8	7.25	7.00	8.00	5.88	83	29	.63	-54.0	13.2	.13	1.9		9 mos.	06-84	8.3	29.7	.4	33.3	.16	33.3	22.8	26.7	1.0	42.9	.36	26.7		
Peoples Rest	M	.75	-.25	-25.0	1.00	0.50	8.13	.50	8,779	10.22	6.05	68.9	NE	.00	.0		fiscal	06-84	NC	NC	(21.8)	-100.0	(2.61)	-100.0	32.9	57.4	(23.8)	-100.0	(2.85)	57.4		
Piccadilly Caf	M	19.00	-.25	-1.3	19.50	18.75	24.25	13.13	165	27	.87	-69.0	11.7	.60	3.2	NEW	3 mos.	09-84	46.4	13.7	2.7	92.9	.45	95.7	46.4	13.7	2.7	92.9	.45	95.7		
Pizza Inn	A	8.25	.00	.0	8.38	8.13	15.50	8.13	265	.87	1.17	-25.6	8.1	.08	1.0		9 mos.	09-84	48.6	24.6	.6	-33.3	.20	-33.3	135.6	21.7	2.5	-13.8	.81	21.7		
Po-Folks	M	12.25	.13	1.0	12.38	12.00	16.63	10.25	232	.52	1.04	-50.0	16.3	.00	.0	NEW	fiscal	09-84	31.3	46.9	1.0	150.0	.23	109.1	107.1	53.4	3.3	153.8	.75	53.4		
Ponderosa Sys	N	13.75	-1.63	-10.6	15.38	13.13	24.88	13.13	5,747	5.99	3.46	73.1	8.5	.40	2.9		6 mos.	08-84	125.3	34.4	4.7	2.2	.51	-12.1	244.0	31.1	9.2	21.1	1.06	31.1		
Primo Inc	O	3.75	-.13	-3.2	4.00	3.75	7.00	2.38	242	.87	1.49	-41.6	34.1	.00	.0		6 mos.	03-84	1.0	NC	.1	NC	.03	NC	2.0	NC	.2	NC	.06	NC		
Rax Restaurants	M	11.25	-.50	-4.3	11.75	11.25	21.50	11.25	360	.65	.94	-30.9	17.9	.00	.0		3 mos.	10-83	19.0	32.9	1.4	100.0	.23	35.3	19.0	32.9	1.4	100.0	.23	32.9		
Rest Assoc	A	7.75	-.38	-4.6	7.88	7.50	9.50	6.50	142	.51	.47	8.5	10.9	.00	.0	NEW	9 mos.	09-84	35.0	-4.1	.4	-33.3	.14	-39.1	97.8	-7.3	1.0	-23.1	.35	-7.3		
Restaurant Sys	M	12.50	.25	2.0	13.25	12.25	14.25	9.00	505	2.19	.65	236.9	14.7	.00	.0	NEW	9 mos.	09-84	8.6	17.8	.6	50.0	.25	25.0	27.9	26.2	1.6	60.0	.68	26.2		
Ritzys G D	M	2.75	.13	4.8	2.88	2.50	10.25	2.25	938	1.81	.89	103.4	NE	.00	.0	NEW	9 mos.	09-84	4.4	-26.7	(.5)	NE	(.11)	NE	10.6	76.7	(1.6)	NE	(.31)	76.7		
Rusty Pelican	M	17.00	-1.00	-5.6	18.25	16.75	18.25	11.38	1,768	9.96	4.57	-117.9	27.0	.00	.0		9 mos.	04-84	9.3	20.8	.5	25.0	.25	25.0	24.6	17.1	1.1	37.5	.53	17.1		
Ryans Fam Steak	M	19.75	.50	2.6	19.75	19.00	25.25	15.50	840	1.97	1.80	9.4	28.6	.00	.0		9 mos.	09-84	7.8	39.3	.7	40.0	.17	30.8	22.7	62.1	2.3	64.3	.53	62.1		
Saga Corp	N	33.50	.00	.0	33.75	33.25	35.50	24.63	594	.46	.99	-53.5	13.6	.44	1.3		3 mos.	09-84	271.6	14.9	5.7	32.6	.42	20.0	271.6	14.9	5.7	32.6	.42	20.0		
Sandwich Chef	O	8.00	.00	.0	8.25	8.00	11.75	6.75	80	.62	.94	-34.0	13.8	.00	.0	NEW	3 mos.	09-84	6.9	13.1	.2	.0	.16	23.1	6.9	13.1	.2	.0	.16	23.1		
Sea Galle	M	8.38	.00	.0	8.63	8.00	11.25	7.13	1,642	4.18	4.20	-5	8.4	.00	.0	NEW	9 mos.	09-84	15.7	101.3	3.0	20.0	.76	20.6	48.3	-10.4	5.3	130.4	1.35	-10.4		
Shoney's Inc	M	31.88	-1.00	-3.0	32.88	31.88	35.13	20.00	1,828	.88	.98	-10.2	23.1	.16	.5		9 mos.	07-84	117.8	24.9	8.2	26.2	.39	25.8	360.0	22.4	21.9	28.1	1.6	22.4		
Shoney's South	M	14.25	-.75	-5.0	15.00	14.25	16.99	11.00	94	.17	.82	-79.3	12.1	.00	.0		9 mos.	09-84	40.1	14.2	1.8	12.5	.32	18.5	127.3	17.2	5.8	48.7	1.00	17.2		
SIS Co	M	4.75	.00	.0	5.25	4.75	10.75	4.50	57	.37	.33	12.1	33.9	.00	.0		fiscal	12-83	1.5	114.3	.0	NC	.01	.0	4.5	87.5	.2	NC	.14	87.5		
Sizzler Rest Int	M	16.75	.00	.0	16.75	16.25	18.75	8.75	85	.13	1.11	-88.3	14.3	.00	.0		fiscal	04-84	37.7	18.6	2.4	50.0	.37	54.2	142.3	11.2	7.9	36.2	1.17	11.2		
Skippers	M	9.63	.00	.0	9.88	9.63	11.50	8.00	185	.68	.89	-23.6	11.7	.06	.6	NEW	9 mos.	09-84	14.5	25.0	.5	25.0	.18	20.0	42.3	25.1	1.6	14.3	.60	25.1		
So Hospitality	M	4.50	-.13	-2.7	4.63	4.50	5.13	3.75	464	.97	1.34	-27.6	13.2	.00	.0		3 mos.	08-84	10.7	33.8	.4	33.3	.08	14.3	10.7	33.8	.4	33.3	.08	33.8		
Taco Viva	M	7.75	.00	.0	8.00	7.75	10.25	7.00	198	.74	.74	.0	16.5	.00	.0		fiscal	05-84	5.6	21.7	.3	200.0	.11	57.1	21.8	38.0	1.1	37.5	.47	38.0		
TGI Friday's	N	8.88	-.50	-5.3	9.50	8.88	17.88	8.63	937	.82	.79	3.8	15.0	.00	.0	NEW	9 mos.	09-84	72.9	15.2	2.2	-37.1	.13	-40.9	209.4	20.0	8.7	.0	.48	20.0		
TGIF Texas	O	2.38	.00	.0	2.88	2.38	7.50	2.25	41	.27	.23	17.4	NE	.00	.0		3 mos.	03-84	2.6	NC	(.1)	NC	(.07)	NC	2.6	NC	(.1)	NC	(.07)	NC		
Transworld	N	30.25	-1.75	-5.5	31.75	30.00	33.53	23.63	7,002	2.49	2.86	-12.9	4.3	.40	1.3	NEW	9 mos.	09-84	511.4	4.2	36.3	64.3	1.12	143.5	1479.1	7.1	85.5	89.6	2.39	7.1		
USACales	M	4.00	.00	.0	4.13	3.88	5.00	2.75	164	.32	.61	-47.5	NA	.00	.0			00-00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA		
Vicorp Restaurants	M	14.38	-1.38	-8.7	15.25	14.13	22.00	14.38	5,041	7.60	2.98	155.0	12.3	.12	.8		9 mos.	07-84	68.4	129.5	2.7	68.8	.41	46.4	157.4	170.4	5.8	100.0	.87	170.4		
Victoria Stations	M	3.38	.00	.0	3.38	3.13	9.63	3.00	2,715	7.67	8.06	-4.8	NE	.00	.0	NEW	6 mos.	09-84	22.2	-3.5	(1.7)	NE	(.47)	NE	45.9	-3.6	(2.5)	NE	(.70)	45.9		
Wendys Int	N	16.75	-.63	-3.6	17.63	16.50	20.50	13.13	9,460	1.74	1.18	47.5	14.0	.28	1.7	NEW	9 mos.	09-84	249.0	31.1	18.8	16.8	.34	13.3	694.9	34.1	51.1	26.5	.93	34.1		
Wm Steer	O	10.75	-.25	-2.3	11.50	10.75	13.25	9.00	150	1.23	.87	41.4	11.7	.20	1.9		6 mos.	08-84	10.3	30.4	.1	-66.7	.07	-65.0	19.8	26.1	.4	-20.0	.33	26.1		
Winners Co	N	6.00	-.50	-7.7	6.50	5.88	16.25	5.88	1,579	3.61	2.03	77.0	12.2	.00	.0		9 mos.	09-84	27.3	14.2	.2	-75.0	.05	-72.2	79.7	26.5	1.3	-35.0	.30	26.5		
Hotels, Motels, and Casinos																																
Am Motor Inns	A	21.13	-.13	-.6	21.25	21.13	21.75	12.50	45	.04	.80	-95.0	13.3	.16	.8		fiscal	07-84	52.8	17.1	5.9	25.5	.51	-38.6	201.1	23.8	18.4	32.4	1.59	23.8		
Brock Hotel Co	N	4.00	.00	.0	4.25	3.50	7.63	3.50	2,390	1.81	1.21	49.6	28.6	.10	2.5		6 mos.	06-84	74.8	-4.6	(1.2)	NE	.14	NE	151.0	-2.1	(3.8)	NE	(.05)	151.0		
Hilton Hotels	N	54.50	.00	.0	54.63	54.13	59.50	45.50	344	.13	1.24	-89.5	21.8	1.80	3.3		9 mos.	09-84	205.4	24.4	24.3	-45.8	.93	-44.3	504.9	3.1	68.0	-22.3	2.56	3.1		
Holiday Inns	N	40.13	-2.00	-4.7	42.25	40.00	52.75	35.25	3,168	.89	2.31	-61.5	11.7	.90	2.2		9 mos.	09-84	473.9	6.2	49.7	4.2	1.37	9.6	1328.9	11.5	110.4	1.3	3.00	11.5		
Prime Mtr Inn	N	23.13	-.13	-.5	23.25	22.00	25.50	16.00	1,098	.76	.50	52.0	19.3	.12	.5		fiscal	06-84	22.1	29.2	4.6	27.8	.32	18.5	72.5	45.0	17.3	36.2	1.20	45.0		
Ramada Inns	N	6.00	-.13	-2.0	6.13	5.50	11.63	5.50	4,763	1.28	2.99	-57.2	20.0	.00	.0	NEW	9 mos.	09-84	156.3	-3.5	6.0	-65.5	.16	-67.3	448.0	2.3						



Nation's Restaurant News®

The Weekly Newspaper of the Food-Service Industry

Vol. 18, No. 29

Published every Monday by Lebhar-Friedman Inc.; \$1 a copy, \$18 a year

December 3, 1984

Massachusetts eliminates happy hours

By Joe Edwards

BOSTON — Happy hours and other promotions of alcoholic beverages have been banned in Massachusetts bars and restaurants in the latest example of society's get-tough attitude toward drunk driving and alcoholism.

Gov. Michael S. Dukakis signed regulations, effective Dec. 10, prohibiting happy hours, free drinks, jumbo drinks, 2-for-1 specials, reduced drink prices, offering drinks as prizes, holding drinking contests and selling pitchers of beer to one person.

Bans most liquor/beer promotions

Massachusetts is the first state to impose such severe restrictions on bar business. Other states are expected to watch how the new regulations work and possibly to follow suit.

"Yes, we are trying to regulate how people drink," Dukakis said. "Some of our worst disasters take place over the holidays. We'd like to reduce them, and these regulations go a long way to-

ward that goal." The regulations will remain in effect beyond the holidays.

Just how the new regulations will affect bar sales is not known. Many operators nationwide have already set up programs to discourage overindulgence. El Torito eliminated happy hours at its six Massachusetts units in September.

Joseph Motzi, president of ECI, a

hotel and restaurant consultant in Massachusetts, said that "about 2% of the bars will be devastated, another 30% will be adversely affected, and the rest will not be affected at all" by the new regulations.

Paula Gold, Massachusetts' secretary of consumer affairs, said that some local communities in Massachusetts and other states have already banned happy hours. "To my knowledge, this is the first time a state has taken that step," she remarked.

(See LIQUOR, page 83)

New thrust seen for Flakey Jake's

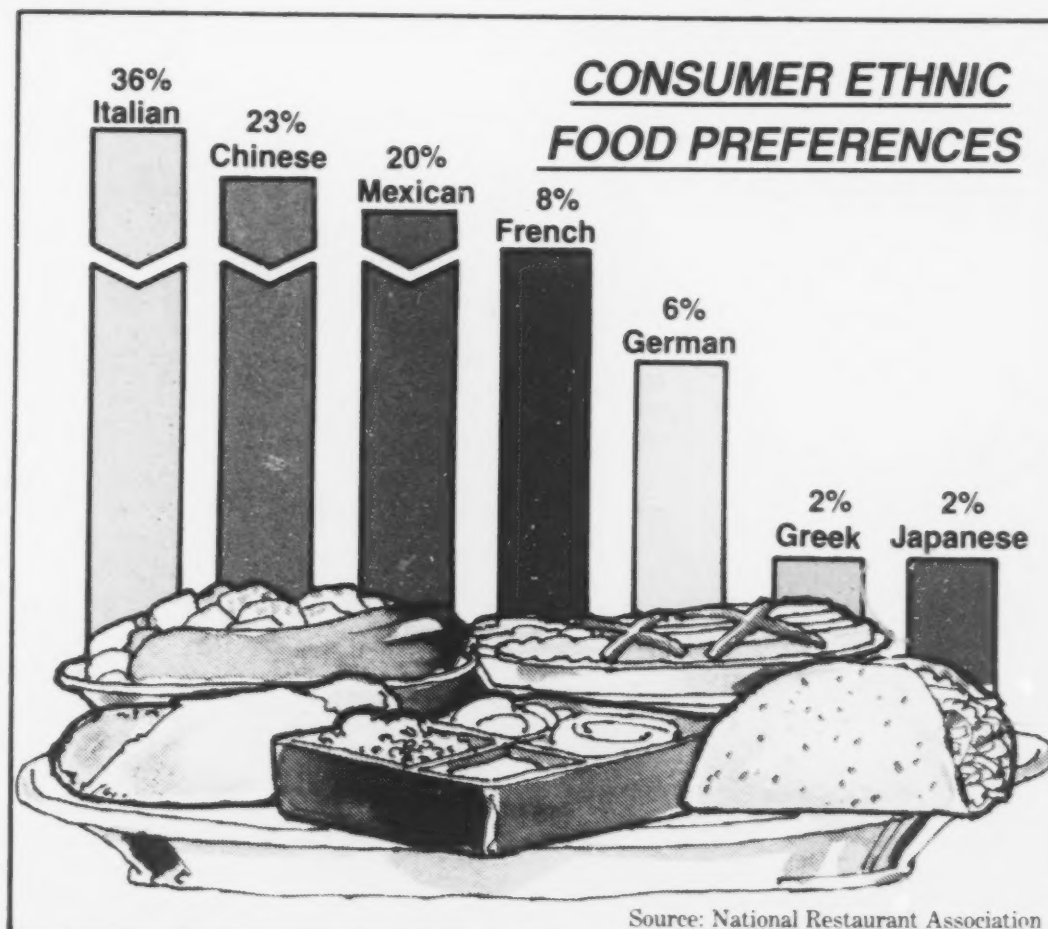
SEATTLE — Flakey Jake's is using menu expansion and target marketing of couples with children to reposition itself as a fast-service family restaurant chain, president and chief executive Robert Luckey has disclosed.

This is the second time in three months that an official of a "gourmet" burger chain has sought to distance his concept from the pack. Statements by Chili's chief executive Norman Brinker and now Luckey are fueling industry specula-

tion that the emerging segment is already approaching saturation in some markets.

On the job for about six months after a stint as Sambo's chairman, Luckey, ex-president of Chart House (now Diversifoods), is directing the rollout of numerous new menu items, including fish and chicken sandwiches, salad bars and an expanded dessert line. New items will be in all units by year's end, Luckey said.

(See FLAKEY, page 14)



Consumers clamor for ethnic food

NRN Special Report

Even though food-service operators in nearly every segment are bolstering menus with a widening variety of ethnic dishes, consumer appetite for novel and exotic cuisines is growing at a faster pace, according to a study published by the National Restaurant Association.

Consumers responding to the survey said they want more ethnic items on restaurant menus, would order more

(See ETHNIC, page 83)

INSIDE NRN

RAX is testing a wide range of new menu items, including three dinner platters and chili. 24

BAGELS by Lender's, once found only in supermarkets, may soon be the basis for a chain 28

WORD-OF-MOUTH advertising is considered the most effective, but also the toughest to generate 61

INDEX

Opinion	5, 6	Advertising & Promotions . . .	61
Dateline D.C.	11	People	64
Food Trends	20	Manufacturer News	65
Inside Purchasing	33	New Products	66, 67
Computers & Food Service . .	54	Classified	75-82
On Management	55	Financial News	84-86

Church St. Station on move

Snow ready to take operation beyond Florida

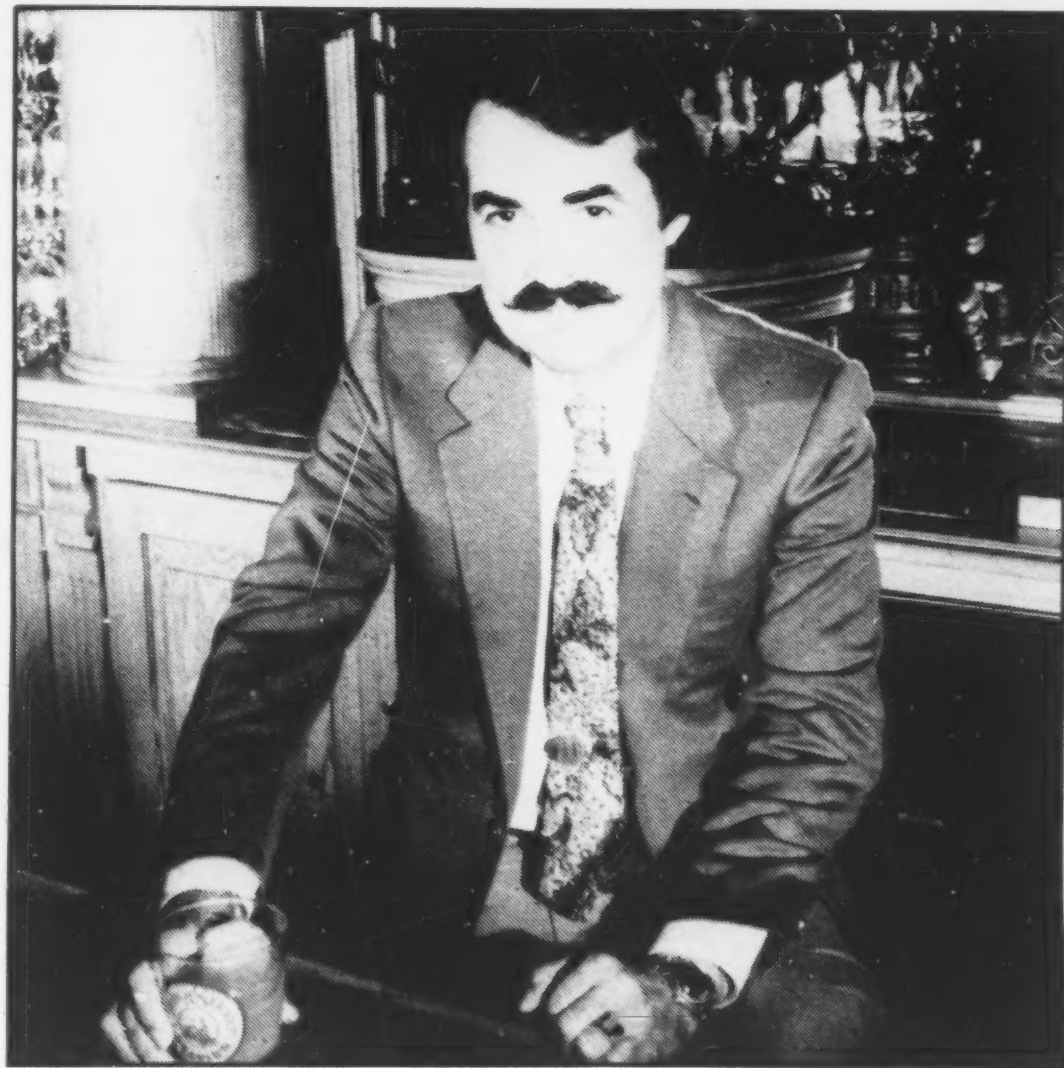
By D. M. Levine

ORLANDO, Fla. — Entrepreneur Robert J. S. Snow, credited with transforming a city slum into one of Florida's foremost tourist attractions, says he's ready to expand the project and perhaps work some of his magic for other communities.

Snow is the flamboyant owner of Church Street Station, a 10-year-old dining-and-entertainment complex that stretches over two city blocks that were formerly occupied by a seedy-looking hotel and an assortment of run-down shops.

The complex consists of five drinking and eating establishments that are designed as if they were built sometime between the Gay Nineties and the Roaring Twenties. They come complete with period antiques and paintings as well as old bricks and functioning gaslights—all obtained from

(See SNOW, page 12)



Robert J. S. Snow, founder of Church Street Station, is credited with turning a slum into a huge tourist attraction.

Brock and Americana agree to merge in early '85

By Peter Romeo

DALLAS — Brock Hotel Corp. and Americana Hotels have completed an agreement to merge their hotel holdings into a new concern called Americana-Brock Corp., or ABC.

Americana will own 55% of the new company. Brock will own the remaining 45%, though its share may be adjusted at the end of 1985 to reflect depreciation allowances and aftertax earnings contributed during the coming year.

In addition, Brock will be compensated over the next 10 years for 50% of the royalties, development fees and franchise dues generated by its Residence Inns Group, an all-suites contender described by Brock as having "great promise, but small earnings."

Industry observers expect the Residence Inns chain to be ABC's principal growth vehicle, fueled by the ample financial resources of Americana and its main owner, the oil-rich Bass family.

Brock, in contrast, has been strapped by a sizable long-term debt stemming from the development of its Park Suite Hotels and ShowBiz Pizza Place chains. The latter was recently reorganized by Brock, with 30 unprofitable units transferred into a new

Americana to own 55% of new ABC

division named Unique Concepts Corp. Brock had planned to convert the restaurants into high-energy lounges.

Brock is now in negotiations to sell the Unique Concepts division. A separate deal is being worked out for the sale of Brock's 50% interest in Park Suite Hotels.

The hotel and restaurant firm would not reveal the identity of either buyer.

Americana, meanwhile, is looking to help Brock resolve its cash-flow problem by agreeing to purchase four of Brock's hotels for \$19 million. The four will subsequently become part of ABC.

The new company will also include Americana's 37 hotels, the eight Residence Inns wholly owned by Brock, the latter's interests in 24 franchised Inns and Brock's 48 Holiday Inns franchises.

To complete the merger, both Americana and Brock will reorganize their lodging holdings into two new subsidiaries.

The transaction is expected to be completed by the first half of 1985.



The new company, ABC, will include Americana's 37 hotels, like the one shown above. Americana has also agreed to buy four Brock hotels for \$19 million.

McDonald's marks milestone, serves 50 billionth hamburger

By Joe Edwards

NEW YORK — "Fast Eddie" Rensi donned an apron, slapped a Quarter-Pounder on a grill and cooked McDonald's 50 billionth hamburger as television cameras rolled, flash bulbs popped and a surprisingly enthusiastic New York press corps applauded, oohed and ahhed this latest milestone in Pop culture and food-

service history.

When the computer-controlled grill signaled that the burger was cooked, Rensi, who earned his nickname cooking burgers at a McDonald's unit in Columbus, Ohio, and is now president of McDonald's U.S.A., served the Quarter-Pounder to Dick McDonald, who with his late brother, Maurice, opened the

first McDonald's restaurant in San Bernardino, Calif., in 1948.

It was a media event of the first order, staged in a ballroom of the Grand Hyatt Hotel in midtown Manhattan. In addition to chain executives, invited guests, including the chain's first licensees, Art and Bernice Bander, and several

(See McD, page 11)

COMMODITIES

Use as soda sweetener may raise corn prices

By Gary S. Friedman

Commodities Analyst

Consider the multitude of products produced from corn: industrial products, animal feeds, food products for humans, not the least of which are high-fructose corn sweeteners, which will now, depending on which soft drink you prefer and where it is bottled, comprise up to 100% of the sugar that was once part of the cola generation's daily sugar dose.

On Nov. 6 both the Coca-Cola Co. and PepsiCo, which comprise two-thirds of the soft-drink industry, gave approval for 100% replacement of sugar with corn sweeteners. This event, already taken by the smaller "other" soft-drink companies, merely completed the process that has been going along for some time, because of the substantial price differentials between sugar and corn sweeteners.

Coke and Pepsi, two companies heavily involved with consumer market testing before any change, took the plunge in incremental amounts. Bottlers in the spring of 1983 were first given the option of using a 50% sugar replacement. By early 1984 Coke, pleased with the results, determined to up the ante: 75% maximum use in bottled drinks and 100% in fountain markets.

Analysts are predicting some longer-term changes for both the corn markets and the corn wet milling industry as a result of these actions.

Corn producers and prices have ridden quite a roller-coaster over the last few years. Supplies were sharply down in 1983 because of a disastrous drought that had many people wondering whether stocks could hold out to the following harvest. Prices went sharply higher, and many of the laggards to market trends, who needed supplies, found themselves priced out of the market.

PRICE MOVEMENT AT A GLANCE

Cash Prices	Nov. 27, 1984	Year Ago
Broilers, Dressed, A, N.Y., lb.	\$0.5278	\$0.6053
Butter, AA, Chicago, lb.	\$1.5975	\$1.49
Coffee, Brazilian, N.Y., lb.	\$1.38	\$1.47
Eggs, large, white, Chicago, dozen	\$0.73-\$0.75	\$0.93
Rice, #2, milled, f.o.b., Ark., cwt	\$17-\$19	\$19
Wheat, #2, hard, K.C., bushel	\$3.85	\$3.8025
Tallow, edible, Chicago, lb.	\$0.35	\$0.20

Source: NRN Research.



As reporters pop flashbulbs and dine on champagne and Quarter Pounders, McDonald's president Ed Rensi (left) serves the historic 50 billionth burger to Dick McDonald as an interested party—Ronald McDonald—looks on.

Atlantic City casino-hotels end slump

ATLANTIC CITY — The 10 casino-hotels here pulled out of their slump during the third quarter, posting a combined net profit of \$77.2 million, or \$50.3 million more than they collectively reported for the previous three months.

However, the July-through-September tally still falls \$21 million short of the figure reported for the same period of last year, when the nine casino-hotels then oper-

ating posted a record net income of \$98.2 million.

Similarly, the 10 properties reported a year-to-date net income of \$130.1 million, compared to the \$143.6 million posted for the first nine months of 1983.

According to the New Jersey Casino Control Commission, only one casino-hotel, the Claridge, lost money during the third quarter of this year. The 504-room property, which has often finished in the

red since its 1981 opening, posted a pretax loss of \$2.6 million.

During the second quarter of this year, three other casino-hotels posted a net loss. However, all three bounced back to finish squarely in the black during the summer period, which is typically Atlantic City's busiest season.

Figures released by the Casino Control Commission indicated that Harrah's Marina

(See CASINOS, page 83)

ETHNIC

(Continued from page 1)

ethnic foods if they were offered and in general enjoy sampling foods they have never eaten before. They also singled out family-style restaurants as the sort of establishment that needs more ethnic dishes.

The findings, contained in the NRA's "Consumer Preferences for Ethnic Foods in Restaurants," confirm the beliefs of many independent and chain operators who have been expanding their ethnic offerings in recent years.

They also support the claims of operators, analysts and observers who have identified ethnic foods and ethnic restaurants as growth areas for the 1980's.

Italian, Chinese and Mexican foods were the three most popular ethnic cuisines among restaurant diners questioned by the NRA. Interestingly, these foods gained their initial popularity because of their availability in restaurants, usually independent restaurants.

Italian food is the most popular ethnic cuisine, with 36% of the respondents saying it is the ethnic food they like best when they dine out. Chinese food was second, the choice of 23% of the respondents, and Mexican was third, picked by 20%, followed by French, 8%; German, 6%; Greek, 2%, and Japanese, 2%.

Those most likely to order ethnic foods, according to the study, are men; adults between the ages of 35 and 54, single people; married persons who have no children; individuals with incomes between \$25,000 and \$35,000, and frequent restaurant patrons.

Consumers who said they were not particularly fascinated by ethnic foods were not mainstream restaurant patrons, saying they eat meals away from home fewer than two times a month. These consumers have lower household incomes (\$15,000 to \$25,000) and are 55 years of age and older. And they said they would not try ethnic foods in the future regardless of the choices available.

But about half the respondents said they were eating more ethnic foods today than they did three years ago.

The survey was released at a time when operators in nearly every segment are expanding their ethnic offerings, saying they believe their customers are growing more sophisticated and more willing to try exotic and unusual dishes.

The study also coincides with widespread proliferation of new menu items in general and the move by many operators to segment the marketplace through acquisitions and the development of new concepts.

Italian food, for years as ubiquitous as hamburgers and

roasted chicken on restaurant menus, is apparently still as popular as ever. But operators are moving away from such classic Southern Italian dishes as lasagne, manicotti and ravioli and serving foods from other regions of Italy.

Pastas made from spinach, tomatoes, whole wheat and other ingredients are showing up in many different types of restaurants. They are made on the premises and served with unusual toppings and sauces.

Pizzas are moving from Mom-and-Pop pizzerias and national chains into upper-end dinnerhouses such as Spago in Los Angeles and Fiorello in New York. These new pizzas, however, are served with adventurous toppings, including goat cheese, braised duck, caviar, smoked salmon and other unexpected items.

Several large chains and food-service companies are trying to develop national Italian dinnerhouse chains. Imasco, Hardee's parent, recently acquired Mamma Grisanti's in Louisville, Ky., and Collins Foods International, a leading Kentucky Fried Chicken franchisee and operator-franchisor of Sizzler, bought the 10-unit Josephina's Italian Cafe a few months ago.

Chinese food, long the domain of independent, single-unit operators, "is moving out of Chinatown," according to Bill Hale, of Technomics Consultants. Hale noted that some operators of non-Chi-

nese restaurants are adding Chinese items to their menus; he reported seeing a pita sandwich with moo shu pork in a Chicago café.

Noodles, an independent restaurant in New York, offers a noodles-based menu of Italian, Korean and Chinese dishes. The Good Earth chain has several wok-cooked dishes, including a breakfast omelet and stir-fried chicken, shrimp and beef. Independents are also beginning to add Chinese-style dishes as specials, and Spago's chef-owner Wolfgang Puck opened a California-style Chinese restaurant named Chinois on Main in Los Angeles last year.

Some food writers regard McDonald's Chicken McNuggets as a dish inspired by Chinese appetizers.

Mexican food, the third most popular ethnic food ac-

cording to the NRA survey, has been showing up on non-Mexican restaurant menus in the last two years even as Mexican chains such as El Torito and Chi-Chi's expand rapidly.

Mexican items are popular especially at casual restaurant chains such as Chili's, T.G.I. Friday's and Houlihan's. Fajitas, nachos, chili and other items are commonplace on many types of menus, and nachos are even available at movie theater snack bars. Wendy's sells chili and a taco salad.

In a recent speech, Ron Paul, of Technomics Consultants, declared that the industry has "only scratched the surface" in ethnic foods and predicted that ethnic cuisines will be a primary driving force in the industry over the next few years.

LIQUOR

(Continued from page 1)

A couple of days before the governor signed the new regulations into law, the Massachusetts House approved legislation to raise the minimum legal drinking age to 21 by June 1, 1985. Twenty-three states now have a minimum drinking age of 21, compared with 14 a year ago. There is talk that Congress may pass a Federal minimum drinking age of 21.

In addition, 23 states now hold restaurant and bar opera-

tors legally responsible for accidents caused by intoxicated adult patrons and minors. And such groups as Mothers Against Drunk Driving (MADD), Students Against Drunk Driving (SADD) and Remove Intoxicated Drivers (RID) have grown into powerful lobbies in Congress and state legislatures.

Meanwhile the food-service industry has taken steps on its own to combat drunk driving. The National Restaurant Association and state restaurant groups are holding seminars and workshops to educate operators and bartenders on

how to prevent their customers from consuming too much alcohol.

Many operators are curtailing 2-for-1 drink offers and other promotions. They are providing free nonalcoholic drinks to designated safe drivers whose friends are drinking, offering free coffee and cab rides to patrons who have had one too many, placing more emphasis on food sales and promoting nonalcohol and low-alcohol drink sales.

Congress has designated the week of Dec. 9 to 15 as National Drunk and Drugged Driver Awareness Week.

BRASS

(Continued from page 2)

seats to the original 180."

Kuhnt points out that, although the Brasserie always did a thriving late-night business—approximately 36% of gross sales—breakfast has perhaps shown the strongest growth recently. Due in part to the growing popularity of business breakfasts in New York, the early-morning hours now account for about

14% of sales.

Midtown's business population accounts for the greater part of the Brasserie's clientele. According to Kuhnt, this is even more evident because of the strength of the dollar and the concomitant decline of tourism.

Conceived by RA resident wizard Joe Baum in the late 1950's, the restaurant is patterned after an Alsatian brasserie—a casual restaurant usually owned by a brewery and serving food that goes

well with beer.

As at all good bistros, specialties include a choucroute—a platter of smoked meats—for \$9.50; onion soup, for \$3.65; a number of grilled beef items, ranging from \$13.50 to \$17.25; four or five omelets, priced from \$7.95 to \$8.25, and steak tartare, for \$9.25.

Currently the Brasserie is running a special promotion to celebrate the 1984 Beaujolais Nouveau. Essentially an autumn game menu, the dishes include hare pâté en croûte, \$3.75; cream of celery root soup, \$2.95; medallions of venison with a chestnut and Brussels sprouts puree, \$13.50; braised red snapper, \$12.95; two quails with grapes and a red wine risotto, \$12.50, and poached pear with vanilla sauce and pear William liqueur, \$2.95.

Check averages for the standard menus run \$6 at breakfast, \$10 at lunch and \$12 at dinner. Kuhnt estimates food cost amounts to about 32% of total sales.

profit of \$9.4 million.

It was followed by Bally's, with an after-tax income of \$9.4 million; the Tropicana, with \$8.6 million; Caesars, \$4.6 million, and the Sands.

Atlantic City's newest casino, Harrah's Trump Plaza, reported a pretax profit of \$8.6 million. The property, which opened on May 14, had posted a loss of \$3.1 million for the six weeks it operated during the second quarter of 1984.

CASINO

(Continued from page 3)

had the highest earnings during the third quarter, posting a net income of \$23.1 million.

It was followed in the earnings ranking by Resorts International, which reported an after-tax profit of \$11.5 million.

Finishing third was the Golden Nugget, with a net

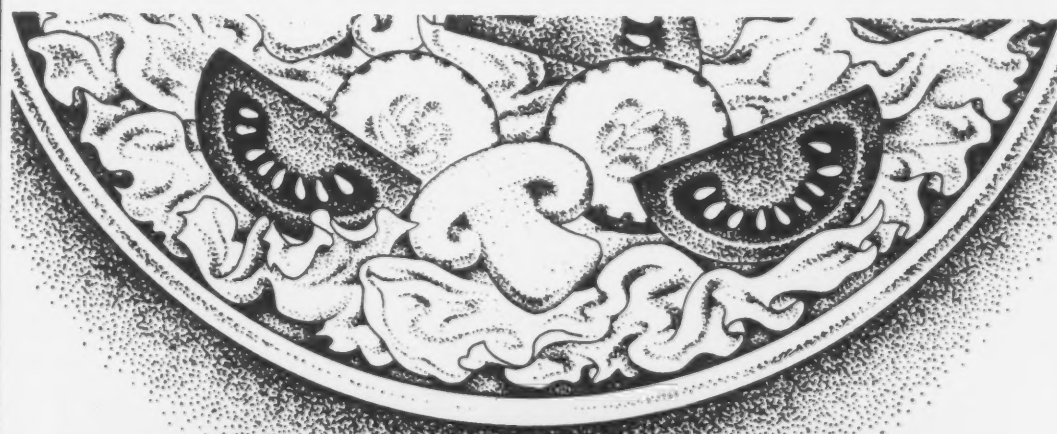
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